

General Terms and Conditions of Purchase

AVL SET GmbH

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1 General information and Scope

- 1.1 These General Terms and Conditions of Purchase apply to all deliveries and services (hereinafter generally referred to as "Deliveries") which a seller, contractor or service provider (hereinafter generally referred to as "Supplier") provides to us.
- 1.2 Our terms and conditions of purchase apply exclusively; we do not recognize any terms and conditions of the supplier that conflict with or deviate from our terms and conditions of purchase unless we have expressly agreed to their validity in writing. Our Terms and Conditions of Purchase shall also apply if we accept the Supplier's delivery without reservation in the knowledge that the Supplier's terms and conditions conflict with or deviate from our Terms and Conditions of Purchase.
- 1.3 Our Terms and Conditions of Purchase shall only apply to companies, legal entities under public law and special funds under public law in accordance with § 310 para. 1 BGB.
- 1.4 Our Terms and Conditions of Purchase shall also apply in their respective version as a framework agreement for all future contracts for deliveries with the same supplier, without us having to refer to them again in each individual case.
- 1.5 Individual agreements made with the supplier in individual cases (including collateral agreements, supplements and amendments) shall in any case take precedence over these terms and conditions of purchase. A written contract or our written confirmation shall be decisive for the content of such agreements.
- 1.6 Legally relevant declarations and notices that must be submitted to us by the supplier after conclusion of the contract (e. g. setting of deadlines, reminders, declaration of withdrawal) must be made in writing in order to be effective.
- 1.7 Offers, cost estimates and other measures taken by the supplier to prepare an order are always free of charge for us.

2 Order

- 2.1 The order is finalised by our written order and by acceptance of the supplier.
- 2.2 We reserve the right to revoke the order if a written confirmation is not received or if the supplier does not start to fulfil the order within 10 working days. This does not result in any claims of the supplier against us.
- 2.3 The supplier shall not be permitted to assign claims arising from this contract or to transfer the collection of claims against us to third parties without our prior written consent; the same shall apply to any subcontracting to third parties. In the event of an infringement by the supplier, we are entitled to terminate the contract without notice, subject to the reservation of asserting further claims for damages.
- 2.4 We are entitled to demand technical changes to the order at any time, provided that these are reasonable for the supplier. The supplier shall inform us immediately in writing of the effects the changes will have on the agreed deadlines and the agreed price.
- 2.5 We reserve ownership rights to our documents handed over to the supplier (including drawings and illustrations, etc.); the same applies to our copyrights insofar as the documents are copyrightable. These documents may not be made accessible by the supplier to third parties without our prior express written consent. They are to be used exclusively for the purposes in accordance with our order; they are to be returned to us upon written request, but at the latest after completion of the order without being asked, or destroyed or deleted by the supplier at our express written request. These documents must be kept secret from third parties, in this respect the provision in accordance with the following clauses 10.3, 10.4 and 10.5 shall apply additionally. The supplier shall have no right to retention of these documents.

3 Prices and Terms of payment

- 3.1 The price stated in our order is a fixed price and binding. All prices shall be stated in EURO, unless otherwise stipulated in the contract; invoices shall also be issued in EURO. Unless otherwise agreed, the price is delivery "free domicile", including packaging. At our request, the supplier shall take back packaging material. Unless otherwise agreed in the individual case of a specific order, the price shall also include all services and ancillary services of the Supplier (e.g. assembly, installation) as well as all ancillary costs (e.g. transport costs including any transport and liability insurance).
- 3.2 We can only process invoices if they contain all legally required information according to § 14 IV UStG and - in accordance with the specifications in our order - in particular the order number and the order date stated therein; the supplier is responsible for all consequences arising from non-compliance with this obligation, unless he can prove that he is not responsible for them.
- 3.3 Unless otherwise agreed in writing, we shall pay the price within 14 days, calculated from delivery or acceptance and receipt of a proper verifiable invoice, with 3% discount or within 30 days after receipt of the net invoice.
- 3.4 We are entitled to set-off and retention rights to the extent permitted by law. In particular, we are entitled to withhold due payments as long as we still have claims against the supplier arising from incomplete or defective deliveries.

- 3.5 The supplier has a right of set-off and/or retention only on the basis of counterclaims that have been legally established or are undisputed or are ready for decision in a pending proceedings.
- 3.6 The supplier is not entitled to assign his claims from the contractual relationship to third parties. This does not apply insofar as monetary claims are involved.

4 Delivery and Performance dates

- 4.1 The stated delivery dates are binding and are understood as the time of receipt of goods at the designated destination, otherwise in our company.
- 4.2 The supplier is obliged to inform us immediately in writing if circumstances occur or become apparent to him which indicate that compliance with the agreed delivery or performance date is at risk. However, this notification shall not affect the supplier's responsibility to comply with the agreed delivery time.
- 4.3 The provision of partial deliveries and partial performances by the supplier is only permitted with our prior written consent.
- 4.4 If the supplier is in default with the delivery or performance date, we are entitled to claim a contractual penalty. This amounts to 0.3% per working day of the delay, but in total not more than 5% of the total net remuneration. We are entitled to claim this contractual penalty until the time of final payment, even if we do not expressly reserve the right to do so when accepting the delayed delivery. The contractual penalty shall be offset against any damage caused by the delay to be compensated by the supplier. The present agreement of the contractual penalty and its assertion shall not affect the legal claims we are entitled to due to delay.
- 4.5 In the event of a delay in delivery for which the supplier is responsible, we are furthermore entitled to withdraw from the contract with immediate effect after a period of 14 days from the occurrence of the delay, without having to set a grace period.

5 Transfer of risk, Approval and Force Majeure

- 5.1 The delivery shall be "free delivery" to the place specified in our order. If the place of destination is not specified and nothing else has been agreed, delivery shall be made to our place of business. The respective place of destination is also the place of performance.
- 5.2 In the case of a contractual service, the acceptance of the service is decisive for the transfer of risk. If nothing to the contrary has been agreed, a formal acceptance is always carried out.
- 5.3 The delivery must be accompanied by a delivery note, in particular stating the date (issue and dispatch), contents of the delivery (item number, designation and quantity) and our order identification (order number and date). If the delivery note is missing or incomplete, we are not responsible for any delays in processing and payment resulting from this.
- 5.4 If non-compliance with an acceptance by us is due to force majeure, labor disputes or other events beyond our control, we may demand delivery in whole or in part at a later reasonable time without the supplier being able to assert any claims against us as a result.

6 Liability for defects and limitation period

- 6.1 As far as applicable, the legal regulations (§ 377 HGB) apply to the commercial duty of inspection and notification with the following stipulations: Our duty of inspection is limited to defects that are openly apparent to us (e. g. transport damage, incorrect or short delivery). Our commercial duty to notify shall be deemed to be immediate and timely if it is issued within 10 working days of the discovery of the defect.
- 6.2 We shall be entitled to the statutory claims for liability for defects in full; irrespective of this, we shall be entitled to demand that the supplier remedy the defect or supply a replacement or new product at our discretion. In this case, the supplier shall be obliged to bear all expenses necessary for the purpose of remedying the defect or replacement delivery or new production and to carry them out immediately. The place of subsequent performance shall be the original place of performance or the place where the subject matter of the contract is permissibly located in accordance with its use. We expressly reserve the right to claim damages, in particular damages for non-performance.
- 6.3 Upon receipt of our written notification of defects by the supplier, the limitation period for claims for defects is suspended. In the case of replacement delivery or new production and rectification of defects, the limitation period for replaced or newly produced and repaired parts shall begin anew, unless we had to assume, based on the conduct of the supplier, that the supplier did not feel obliged to take such action, but instead only carried out the replacement delivery or rectification of defects as a gesture of goodwill or for similar reasons.
- 6.4 The limitation period for warranty claims is 36 months from the transfer of risk.

7 Compliance, Quality and Documentation

- 7.1 The goods to be delivered must comply with the respective applicable domestic and foreign regulations (in particular the accident prevention regulations, the relevant regulations and directives of the VDE regulations, the REACH Regulation [EC] No. 1907/2006), the recognized latest rules and standards of technology as well as precisely the documents on which the order is based, such as drawings, descriptions, samples, specifications, acceptance conditions etc.
- 7.2 The supplier undertakes to comply with the laws of the respective applicable legal systems. In particular, he will neither actively nor passively, directly or indirectly participate in any form of bribery, violation of the basic rights of his employees or child labour. The supplier undertakes not to use any "conflict minerals" in accordance with Section 1502 of the US Dodd-Frank Act, which originate from the Democratic Republic of Congo or a neighboring country, in its products.
- 7.3 The supplier must set up a quality management system in accordance with the requirements of ISO 9001, carry out a state-of-the-art quality control which is suitable in type and scope, and develop in the direction of ISO 16949 and VDA 6.4 standards and a zero-defect philosophy.

- 7.4 Software and applications shall be state-of-the-art at the time of delivery.
- 7.5 The QES documents to be observed by suppliers, including the current list of ingredients and substances (AVL-SET list of substances), which may not be supplied to the company, or may only be supplied to a limited extent, can be found on the website www.avl-set.com. If the goods delivered by the supplier contain one of the substances mentioned, the supplier must contact the purchaser specified on the order, stating the respective substances concerned..
- 7.6 Complete maintenance, operating and service manuals for devices, instruments, plant components or plants shall be supplied in electronic form and/or as hardcopy without separate instructions and without additional costs.

8 Product liability and insurance cover

- 8.1 Insofar as the supplier is responsible for product damage, he is obliged to indemnify us from third-party claims for damages insofar as the cause is in his area of control and organization and he is himself liable in external relations..
- 8.2 Within the scope of his liability for damage within the meaning of Section 8.1, the supplier is also obliged to reimburse any expenses arising from or in connection with a recall action carried out by us or by our customer. We will inform the supplier - as far as possible and reasonable - about the content and scope of the recall measures to be carried out and give him the opportunity to comment. This shall not affect other statutory claims.
- 8.3 The supplier undertakes to maintain product liability insurance with a reasonable amount of cover for personal injury and damage to property; if we are entitled to further claims for damages, these shall remain unaffected. The supplier shall at any time upon request send us a copy of the insurance policy or, at our separate request, an up-to-date insurance confirmation.

9 Intellectual property rights and property rights of third parties

- 9.1 The supplier undertakes to provide a delivery or service free of third-party intellectual property rights. If claims are made against us by a third party for this reason, the supplier is obliged to indemnify us from these claims, provided the supplier is responsible for the defects of title. The supplier's obligation to indemnify us relates to all costs, damages and expenses, including any legal costs, which we necessarily incur from or in connection with the claim by a third party. In case of defects of title, a limitation period of 5 years shall apply..
- 9.2 All copyrights, industrial property rights and similar legal positions arising in the course of the performance of the contract and all other written, machine-readable and other work results created within the scope of this contract (including source code) shall pass to us as soon as they are created. The transfer is compensated with the contractual remuneration. They are available to us unrestrictedly and exclusively in terms of space, time and content and may be extended, transferred, revised, adapted, modified, duplicated or published by us without the consent of the supplier. We are granted the right to apply for patentable results.

10 Retention of title, Provision, Non-Disclosure und Subcontractors

- 10.1 If an item provided by us to the supplier is inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in proportion to the value of the reserved item (purchase price plus VAT) to the other mixed items at the time of mixing. If the mixing is carried out in such a way that the supplier's item is to be regarded as the main item, it is agreed that the supplier shall assign proportionate co-ownership to us; the supplier shall retain sole ownership or co-ownership for us.
- 10.2 Tools, devices and models which we make available to the supplier or which are manufactured for contractual purposes and are invoiced to us separately by the supplier remain our property or become our property. They must be marked as our property by the supplier, stored carefully, secured against damage of any kind and used only for the purposes of the contract. Upon request, the supplier is obliged to return these items to us in proper condition; the supplier has no right of retention.
- 10.3 The supplier is obliged to keep all documents and information received from us strictly confidential; the same applies to business and trade secrets communicated to him or of which he becomes aware. They may only be disclosed to third parties with our prior express written consent. The obligation to maintain secrecy shall also apply after termination of this contract; it shall expire if and insofar as the knowledge or business and trade secrets contained in the documents or information provided have become generally known.
- 10.4 The above Section 10.3 shall apply accordingly to substances and materials (e.g. software, finished and semi-finished products) as well as to tools, templates, samples and other items which we provide to the Supplier. Such items must - as long as they are not processed - be stored separately at the Supplier's expense and insured to a reasonable extent against destruction and loss. The above clause 10.3 shall also apply accordingly to work results according to clause 9.2.
- 10.5 The supplier is obliged to treat all commercial and technical details relating to the contract concluded with us and all commercial and technical details connected with its execution as business or trade secrets. The supplier is also obliged to maintain secrecy about the business relationship with us. Exceptions require our prior written consent.
- 10.6 Both the supplier and we are entitled to record and store each other's data including the individual contractual relationship, whereby the respective valid data protection regulations must be observed; the data may only be used for contract-related purposes.
- 10.7 The supplier is not entitled to have the work or service owed by him provided by third parties (e. g. subcontractors, freelancers) without our prior written consent. In the case of the permissible assignment of such third parties, the supplier shall be obliged in writing to maintain secrecy within the meaning of the present clauses 10. 3, 10. 4 and 10. 5; on request, the supplier shall provide us with a copy of this confidentiality obligation.
- 10.8 The supplier undertakes to keep all data, protocols, processes, etc., which are visible to the supplier strictly confidential when delivering or providing a service on our premises. The supplier is aware that this confidentiality is subject to the German trade and business secrets act.

11 Spare parts

- 11.1 On request, the supplier, in conjunction with us, must draw up spare parts lists within 4 weeks of project completion.
- 11.2 Unless otherwise agreed, the supplier is obliged to supply us with spare parts for the products delivered to us at competitive prices for a period of 10 years after delivery.
- 11.3 If the supplier intends to discontinue the production of spare parts for the products delivered to us, he shall inform us of this immediately after the decision to discontinue has been made. This decision must - without prejudice to the above clause 11.2 - be made at least 6 months before production is discontinued.

12 Foreign trade data

- 12.1 The supplier is obliged to inform us of any goods-related restrictions on (re-)exports of the delivered goods (goods, technology, software) in accordance with German, European and US American export and customs regulations and the export and customs regulations of the country of origin of the goods. Upon request, he must provide the following information on the individual items of goods at least in his offers and order confirmation:
 - the number of the EU Military List and Dual-Use List,
 - for US goods the ECCN (Export Control Classification Number) according to the US Export Administration Regulation (EAR),
 - for US defence goods (so-called ITAR goods) the USML (United States Munitions List) category,
 - Information on the non-preferential origin of its goods (goods, technology, software) and their components,
 - Information on goods manufactured using controlled US technology and/or containing controlled US components.
- 12.2 The supplier is further obliged to provide the purchaser named on the order with all further foreign trade data in writing upon request and to inform the purchaser of all changes to the above data in writing without being asked.
- 12.3 In particular, the supplier undertakes to obtain at his own expense all permits required under export law in the case of cross-border deliveries of goods. Insofar as the supplier has obtained the products in whole or in part from third parties, he assures that he has obtained them from safe sources and that they have been exported or imported in compliance with and in accordance with the export regulations of the country of manufacture/dispatch.
- 12.4 The legally binding acceptance of re-export restrictions (e.g. with regard to existing / granted export licenses and re-export restrictions contained therein or due to claimed license exceptions under the EAR) is limited to goods for which an export license is required from the point of view of the supplier country (for the USA, the currently valid version of the EAR applies), which are also marked accordingly in the delivery documents and for which the supplier expressly informs us of this in offers and order confirmations.
- 12.5 Suppliers located in the EU are obliged to send us the original of the (long-term or) supplier declaration for goods with preferential origin status in accordance with Regulation (EC) No. 1207/2001 in the currently valid version within one calendar week of being requested to do so. If the supplier does not comply with this obligation or if his declaration does not comply with the statutory provisions, he shall indemnify and hold us harmless for any adverse consequences resulting therefrom.

13 Jurisdiction and place of performance

- 13.1 All questions arising from or in connection with our contractual and business relationship with the supplier shall be governed by the law of the Federal Republic of Germany to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 13.2 If the supplier is a registered merchant, a legal entity under public law or a special fund under public law, the exclusive place of jurisdiction for all disputes arising from the contractual relationship shall be our registered office. We are, however, also entitled, at our discretion, to bring an action at the place of performance of the delivery obligation or at the supplier's place of business.