

# General Terms and Conditions of Purchase (GTP)

of *SUCO-Robert Scheuffele GmbH & Co. KG*

with its head office in Bietigheim-Bissingen (Germany)



Status: March 2020

## 1. Scope of application

- 1.1 Our Terms and Conditions of Purchase (hereinafter also referred to as "GTPs") apply exclusively.
- 1.2 We do not recognise any terms and conditions of the supplier that contradict or deviate from our terms and conditions, unless we have expressly agreed to their validity in writing. Our GTPs shall also apply if we accept the delivery without reservation in the knowledge that the supplier's terms and conditions conflict with or deviate from our own.
- 1.3 Our GTPs apply only to companies in the sense of Section 14 German Civil Code [Bürgerliches Gesetzbuch, BGB], if the contract is part of the operation of the company, as well as to legal entities under public law and special funds under public law in the sense of Section 310 (1) of the German Civil Code.
- 1.4 Our GTPs also apply to all future business with the supplier, even if they are not expressly mentioned again.

## 2. Conclusion of contract and offer documents

- 2.1 An order shall only become binding when it has been placed by us in writing or, in the case of an order placed verbally, by telephone or using other means of remote communication, has been duly confirmed in writing. An order created with the help of an automatic device, which lacks signature and name, is considered to be in writing. We expressly reserve the right to transmit orders and delivery call-offs to the supplier by remote data transmission. Insofar as the order contains obvious mistakes, typing or calculation errors, it is not binding for us.
- 2.2 All our orders are additionally provided with our quality assurance guidelines for suppliers (quality assurance agreement). This also applies in the event that these are not expressly mentioned again.
- 2.3 The supplier must inform us in writing prior to conclusion of the contract if the ordered goods are subject to export controls or other restrictions on marketability according to the regulations applicable in the Federal Republic of Germany. Otherwise, we are entitled to revoke the contract without prior notice and regardless of any fault on the part of the supplier. Further claims from our part are not excluded.
- 2.4 A binding order on our part shall be deemed to have been accepted if the supplier has not objected to it until the 5th working day after the date of receipt of the order.
- 2.5 The order confirmation must include prices, discounts, binding delivery dates as well as the number and position of our order.
- 2.6 Any deviation from our order, even to a minor extent, shall be deemed not to have been approved by us, insofar as we have not given our express written consent. In this case, the contract is concluded with the content of our order.
- 2.7 Offers, cost estimates, drafts, samples and specimens of the supplier are free of charge for us and do not constitute any obligations for us.
- 2.8 Unless otherwise agreed, no remuneration or compensation shall be granted for visits or the preparation of offers, projects, etc.
- 2.9 We may, within the scope of what is reasonable for the supplier, request technical changes to the goods and/or the timing of delivery. Impacts occurring in this context, in particular with regard to additional and reduced costs as well as delivery dates, are to be settled by mutual agreement.

## 3. Prices and terms of payment

- 3.1 The prices quoted by us are binding; this also applies to blanket orders for the entire duration of the agreement. If no prices are stated, the supplier's current list prices shall apply with the customary deductions.
- 3.2 All prices include free delivery to the address stated by us, including freight, postage, insurance, disposal, packaging, whereby we have the right to determine the type of packaging, the means of transport, the transport route and the transport insurance. The statutory value-added tax is included in the price, unless this has been expressly designated as a net price.
- 3.3 In the event of acceptance of premature deliveries, the due date shall be determined by the agreed delivery date. If the charged goods arrive at a later date than the invoice, the date of receipt of the goods shall be deemed the date of invoice.
- 3.4 Unless otherwise agreed, payments shall be made at our discretion either within 20 days after invoice receipt less 3% discount, within 30 days after invoice receipt less 2% discount or within 60 days after receipt of the invoice net to the supplier's business account stated in the invoice; however, the period shall not commence before complete performance by the supplier.  
Payment shall be made subject to invoice verification.
- 3.5 Invoices are to be sent to our postal address in duplicate upon dispatch of the goods, but separately from them. Order number and order date must be stated in each invoice. Invoices issued incorrectly shall be deemed not to have been issued.
- 3.6 Insofar as a VAT-exempt delivery or service can be considered, the supplier is held to provide the necessary evidence or to cooperate in providing it. For deliveries within the European Union, the supplier must communicate his VAT ID number, prove his entrepreneurial status and cooperate in the export documentation and bookkeeping.
- 3.7 In the event of defective delivery, we shall be entitled to withhold payment proportionally to the value of the goods until proper performance without loss of rebates, discounts or similar price reductions. The payment period begins after complete remedy of the defects. On the other hand, payments made shall not constitute recognition of the delivery as being in accordance with the contract.
- 3.8 The supplier is not entitled to assign his claims against us or have them collected by third parties without prior written consent - which may not be unreasonably withheld.

## 4. Delivery time and default in delivery

- 4.1 The agreed delivery times and periods are binding. The delivery periods start from the date of the order confirmation. The receipt of the goods at the place of receipt or use specified by us shall be decisive for compliance with the delivery date or delivery period.
- 4.2 If free delivery has not been agreed, the supplier must make the goods available in good time, taking into account the time for loading and dispatch to be agreed with the carrier.
- 4.3 If the supplier realises that an agreed delivery time cannot be met for any reason whatsoever, he must notify us immediately in writing, stating the reasons and the duration of the delay.
- 4.4 In the event of a delay in delivery, we are entitled to demand a contractual penalty of 0.2% of the order value for each full day of delay, but not more than 10% in total. Further legal claims are reserved. We are obliged to declare the reservation of the contractual penalty at the latest upon payment of the final invoice. The contractual penalty shall be set off against any damage caused by delay.
- 4.5 The acceptance of a delayed delivery has no explanatory value. In particular, this shall not constitute a waiver of any claims arising from the delayed delivery.
- 4.6 If the agreed delivery time is not met, we are entitled to revoke the contract after the expiry of a reasonable grace period set by us, without prejudice to further legal claims. If the supplier is responsible for the delay, we may, at our discretion, demand compensation for the damage incurred by us due to the delay or, after expiry of the above-mentioned period, compensation in lieu of performance or reimbursement of futile expenses.
- 4.7 Force majeure, labour disputes or other unavoidable and unforeseeable events shall only release the supplier from its performance obligations for the duration of the disturbance and to the extent of its effect. The supplier is obliged to provide the necessary information immediately within the scope of what is reasonable and to adapt his obligations to the changed circumstances in good faith. We shall be released from the obligation to accept the ordered delivery/service in whole or in part and shall be entitled to revoke the contract to this extent if the delivery/service is no longer usable for us - taking into account economic aspects - due to the delay caused by such circumstances.
- 4.8 In the event of delivery earlier than agreed, we reserve the right to arrange for the return of the goods at the supplier's expense. If no return shipment is made in the event of premature delivery, the goods shall be stored with us at the supplier's expense and at his risk until the agreed delivery time.

## 5. Delivery, passing of risk and packaging

- 5.1 We accept partial deliveries or weight fluctuations only by express agreement. In the event of agreed partial deliveries or weight fluctuations, the remaining quantity or the remaining residual weight shall be listed.
- 5.2 The goods must be accompanied by a delivery note in a single copy which, in addition to the exact description of the scope of the delivery in terms of article, type, weight and quantity etc., contains our exact order data. If the supplier fails to do so, delays in processing are unavoidable for which we are not responsible.
- 5.3 The passing of risk occurs at the delivery address given by us. If the supplier is responsible for the installation or assembly of the goods at our premises, the risk shall only pass to us when the goods are put into operation.
- 5.4 The place of performance for the supplier's obligation to take back the packaging according to Section 4 VerpackgV [Verpackungsverordnung, German packaging regulation] is the place of delivery of the good.
- 5.5 Charged packaging, insofar as it is reusable, is to be credited at the full charged value on return. The credit note must always be submitted in a single copy, indicating the invoice with which the debit was made.

## 6. Material defects and legal defects

- 6.1 All items delivered by the supplier and all services rendered by him are state-of-the-art and comply with the relevant legal provisions and the regulations and guidelines of authorities, professional associations and trade associations. Generally, internationally recognized standards such as DIN, EN, ISO, VDI, VDE must be observed. Service providers must have appropriate qualifications/certifications/authorisations. If deviations from these provisions are necessary in individual cases, the supplier must obtain our written consent.
- 6.2 If the supplier has reservations about the type of execution requested by us, he must inform us immediately in writing.
- 6.3 The acceptance of delivery is always subject to quantity and quality control. We are obliged to inspect the goods for any defects within a reasonable period of time. A notice of defects shall be deemed to have been given in good time if it is received by the supplier within a period of 10 working days after delivery in the case of identifiable defects, or if the defect was not identifiable in a proper inspection, within a period of 10 working days after discovery.
- 6.4 In the case of consignments of goods which consist of a large number of identical goods, we only have to inspect 3% of the delivered goods for defects. If the goods become unsaleable as a result of the investigation, a random sample of 0.5% of the delivered pieces is sufficient. If individual samples of a consignment of goods are defective, we may, at our discretion, demand that the defective items be sorted out by the supplier or assert warranty claims for the entire consignment of goods. We expressly reserve the right to acknowledge surplus delivery as being in accordance with the contract. If, in the event of a defect in the goods, cure by the supplier fails, the obligation to examine and give notice of defects pursuant to Section 377 of the German Commercial Code [Handelsgesetzbuch, HGB] shall not apply to services rendered by the supplier for the purpose of cure.

- 6.5 In the event of a defect, we shall be entitled to the full statutory rights, whereby the place of warranty is the specified place of use; we shall be entitled to demand, at our discretion, that the supplier remedies the defect or supplies a good free of defects. If the supplier does not fulfil his obligation to cure within a reasonable period of time in accordance with the option chosen by us, or if the cure fails, we shall be entitled to immediately assert our rights to reduction, revocation, damage compensation in lieu of performance or reimbursement of expenses.

Cure shall be deemed to have failed if an attempt to remedy the defect or to supply a replacement delivery does not result in a defect-free delivery by the supplier. The supplier is obliged to bear all expenses necessary for the purpose of remedying the defect or supplying a replacement delivery. In addition, we are entitled to withhold payment in proportion to the value until proper performance.

- 6.6 The supplier must bear the costs of renewed subsequent checks in accordance with Section 6.5 if indications (e.g. customer complaints) of a defective delivery subsequently emerge. This shall also apply to other additional inspections for which the supplier is responsible or has arranged.
- 6.7 Our claim for performance shall continue to exist until the written or judicial assertion of claims for damages in lieu of performance. If we revoke the contract due to a defect, the supplier shall also reimburse us for the contract costs.
- 6.8 The rights of recourse according to Sections 478, 479 German Civil Code are also available to us mutatis mutandis against the supplier if he has only supplied parts for the newly manufactured thing produced by us.
- 6.9 If the supplier is in default with the replacement delivery or remedy of defects, we shall be entitled to carry out the replacement procurement or remedy of defects ourselves or have it carried out by third parties at the supplier's expense. The same shall apply if it is urgent and the supplier cannot be reached in time or is not able to remedy the defect or provide a replacement in time. The supplier must be informed of this immediately.
- 6.10 Our claims due to defects shall become statute-barred in accordance with the statutory provisions, but at the earliest 2 months after we have fulfilled any claims for defects by our customer due to the same defect of the thing. This suspension of expiry of a period of limitation ends at the latest 5 years after delivery of the item to us. For replaced parts, the period of limitation begins anew from the time of complete remedy of the defect. If the supplier inspects the existence of a defect or its removal, the limitation period is suspended until the supplier informs us of the outcome of the inspection, declares the defects to be remedied or refuses to continue the remedy of the defect. In particular, an inspection shall also be deemed to have taken place if the supplier initiates the inspection or forwards the delivery to a third party for inspection.
- 6.11 Further guarantees of the supplier remain unaffected.
- 6.12 Suppliers of goods requiring spare parts shall be obliged to keep the necessary spare parts, accessories and tools available for a period of three years after the expiry of the limitation period.

## 7. Product liability, indemnity and liability insurance cover

- 7.1 The supplier is obliged to indemnify us from claims of third parties arising from product liability, insofar as he is responsible for the product defect and the damage that has occurred in accordance with product liability law principles. Further claims on our part shall remain unaffected.
  - 7.2 Within the scope of its liability for cases of damage within the meaning of No. 7.1, the supplier is also obliged to reimburse any expenses pursuant to Sections 683, 670 German Civil Code as well as pursuant to Sections 830, 840, 426 German Civil Code, which are incurred in connection with product liability, in particular in connection with a recall action carried out by us. We must inform the supplier about the content and scope of the recall measures to be carried out - as far as possible and reasonable - and give him the opportunity to a response statement. Other legal claims remain unaffected.
  - 7.3 The supplier undertakes to take out product liability insurance with a coverage of at least EUR 5 million per personal injury/material damage - lump sum; if we are entitled to further claims for damages, these remain unaffected.
- ## 8. Construction protection
- 8.1 We reserve the property rights and copyrights to samples, software, tools, illustrations, drawings, calculations and other offers; they may not be made accessible to third parties without our express written consent. They are to be used exclusively for production on the basis of our order, after completion of the order - at the latest upon termination of the contract - they are to be returned to us unsolicited and free of charge. Data must be deleted and destroyed.
  - 8.2 The supplier must store the documents and objects provided under No. 8.1 at his own expense and protect them against loss, misuse and damage with an adequate property identification. The storage is based on the currently valid legal provisions and customary commercial regulations. The supplier is obliged to ensure the documents and objects provided to him at their replacement value at his own expense against fire, water and theft. At the same time, the supplier hereby assigns to us all claims for compensation under this insurance; we hereby accept the assignment.
  - 8.3 Products which are designed by us and/or which are manufactured according to our documents, in whole or in part, with our know-how and/or with our tools or copied tools, may not be used by the supplier himself, neither now nor later, nor offered, delivered or otherwise made accessible to third parties. This applies to all orders and related work.
  - 8.4 In particular, the supply relationship must also be kept confidential.
  - 8.5 With regard to clauses 8.1 to 8.4, the subcontractors must be placed under a corresponding obligation.

## 9. Property rights

- 9.1 The supplier shall be liable to us for ensuring that no third-party rights are infringed in connection with his delivery, whereby the supplier is aware that we distribute the end products worldwide.
- 9.2 If the delivery contains software, including the associated documentation, we have, in addition to the right of use to the extent permitted by law (Section 69 a German Copyright Act [Urhebergesetz, UrhG]), the right to unrestricted use with the agreed performance characteristics and to the extent required for use of the product in accordance with the contract. We may also make a backup copy without agreement. If the software is produced/programmed especially for us, the supplier must provide us with the corresponding source code at the latest when the software is delivered, without this being subject to a separate charge.
- 9.3 If claims are made against us by a third party for this reason, the supplier is obliged to indemnify us against these claims on first written request. We are not entitled to make any agreements - at the supplier's expense - with the third party - without the supplier's consent - in particular to conclude a settlement.
- 9.4 The supplier's obligation to indemnify us relates to all expenses incurred by us and that necessarily arise in connection with claims by a third party.
- 9.5 The period of limitation for these claims is ten years, beginning with the conclusion of the respective contract.

## 10. Confidentiality, reservation of title and provisions

- 10.1 The supplier is obliged to keep secret for an unlimited period of time all information that becomes accessible to him about us, which is designated as confidential or which, according to other circumstances, can be recognised as business or company secrets, and not to record it, pass it on or use it, unless this is necessary for the delivery to us. The supplier shall ensure by suitable contractual agreements with the employees and agents working for him that they, too, shall refrain for an unlimited period of time from any own exploitation, disclosure or unauthorised recording of such business and company secrets.
- 10.2 An extended or expanded retention of title on the part of the supplier with regard to the goods delivered to us is not recognised.
- 10.3 Materials or parts provided by us remain our property. They may only be used within the scope of our order. The processing of the materials and the assembly of the parts by the supplier is carried out for us. If our materials and parts are combined, intermixed or processed with other objects not belonging to us, we shall acquire co-ownership of the new thing in the ratio of the value of the reserved goods (purchase price plus VAT) to the other processed objects at the time of combination, intermixing or processing. If the supplier's thing is to be regarded as the main thing, it is agreed that the supplier shall transfer proportional co-ownership to us. Our sole ownership and co-ownership shall be kept safe for us by the supplier free of charge.

## 11. General provisions

- 11.1 Rights to which we are entitled according to the statutory provisions beyond these GTPs remain unaffected.
- 11.2 The supplier is not entitled to transfer the order to third parties without our prior consent.
- 11.3 In the event that the supplier ceases payment or applies for insolvency proceedings against the assets of the supplier, we are entitled to revoke the contract in whole or in part.
- 11.4 We will treat the supplier's personal data in accordance with the Federal Data Protection Act [Bundesdatenschutzgesetz].
- 11.5 Unless expressly agreed otherwise, the place of performance for the delivery obligation is the delivery address or place of use requested by us. The place of performance for all other obligations of both parties is our registered office.
- 11.6 The legal venue is our place of business. However, we are also entitled to sue the supplier at his statutory legal venue.
- 11.7 The contract is subject to the law of the Federal Republic of Germany, excluding the conflict of laws, the uniform UN Convention on Contracts for the International Sale of Goods or other conventions on the law of the sale of goods.

## 12. Dealing with conflict minerals

- 12.1 The supplier accepts the duty of care to continuously monitor its supply chain and to provide annually updated information on Conflict Minerals (CMRT).
- 12.2 Supplier assumes responsibility for avoiding the use of Conflict Minerals and for following the compliance program pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules thereon.