

GENERAL TERMS AND CONDITIONS OF PURCHASE OF THE TILLMANN GROUP

(on the Internet at: www.tillmann-gruppe.de)

As of: September 2020

1. SCOPE OF APPLICATION, FORM

- (1) These General Terms and Conditions of Purchase (hereinafter: GT&CsP) shall apply to all contracts entered into with a Tillmann Group company. An overview of the companies belonging to the Tillmann Group is provided in the attached **appendix** or can be viewed at www.tillmann-gruppe.de/de/agb/ at any time. These GT&CsP shall apply only if the contractual partner (hereinafter "Seller" or "Supplier") is a business owner (Section 14 *BGB* [German Civil Code]), a legal entity under public law or a public special fund.
- (2) In particular, these GT&CsP shall apply to contracts concerning the sale and/or delivery of moveable items and/or services ("Goods"), regardless of whether the Seller manufactures the Goods itself or purchases these from suppliers (Sections 433, 650 *BGB*).
- (3) Unless otherwise agreed upon, the GT&CsP as worded at the time of the conclusion of the contract or, in any event, as last communicated to the Seller in text form shall, without our having to refer to them again in each individual case, be deemed to be a master agreement also for future contracts of the same type.
- (4) Terms and conditions of business of the Seller or third parties shall not apply, even if we do not separately object to their application in the individual case concerned, or even if we refer to a letter containing the terms and conditions of business of the Seller or a third party, unless these have been expressly consented to in writing in each individual case. However, such acceptance shall then invariably apply only to the consenting Tillmann Group company.
- (5) These provisions shall apply in addition to any and all other agreements additionally entered into by the parties, e.g. master supply contracts, quality assurance agreements. In any event, individual agreements made with the contractual partner in the individual case concerned shall take precedence over these GT&CsP. A written contract or our written confirmation shall be decisive for the content of such agreements, unless proven otherwise.
- (6) Legally relevant declarations and notifications by the Seller in respect of the contract (e.g. any setting of time limits, reminders, rescission) shall be submitted in writing, i.e. in written or text form (e.g. letter, email, telefax). Statutory requirements of form and other proof, particularly in the case of doubts concerning the legitimacy of the party making the declaration, shall remain unaffected.

2. OFFERS, CONCLUSION OF A CONTRACT

- (1) Enquiries from companies of the Tillmann Group to the Supplier concerning its products and services, as well as the conditions relating thereto, or any invitation to submit an offer shall not be legally binding upon us in any way. When submitting its offer, the Supplier shall point out any deviations from the enquiry. On-site visits, the drawing-up of offers or the creation of project documents shall not be subject to a fee, unless a fee has been expressly contractually agreed upon or is mandatorily owed on the basis of statutory provisions.
- (2) Our order shall be deemed binding no earlier than upon written submission or confirmation, unless the Seller objects in writing within 3 days of receipt of the order.
- (3) Prior to accepting an order, the Seller shall point out to us any obvious mistakes (e.g. typing and arithmetical errors) and omissions in the purchase order, including the order documents, for the purpose of correction and/or completion; otherwise, the contract shall be deemed not to have been concluded.
- (4) The Seller is asked to acknowledge our order in writing within a period of 10 days or, in particular, to unreservedly carry out the order by sending the Goods (acceptance). Late acceptance shall be deemed to be a new offer and be subject to our acceptance.
- (5) The time and place of delivery as well as the type of packaging may be altered by us at any time by written notification with at least 14 calendar days' notice prior to the agreed delivery date. The same shall apply to changes to product specifications, insofar as these can be implemented in the course of the Supplier's normal production process without considerable additional expenditure. In these cases, however, the time limit for notification under the above sentence shall be at least 3 weeks. We shall reimburse the Supplier for the respective proven, reasonable extra costs arising as a result of the change. If such changes result in delays in delivery that cannot be avoided by reasonable efforts in the normal course of the Supplier's production and business operations, the originally agreed delivery date shall be postponed accordingly. In due time before the scheduled delivery date, but at least within one week of receipt of our notification under sentence 1, the Supplier shall inform us in writing of the extra costs, or delays in delivery, to be expected by it on the basis of a diligent assessment.
- (6) We shall be entitled to rescind the contract at any time by written declaration, stating the reason, if we can no longer use the ordered products in our business, or can do so only at considerable expense, due to circumstances that have arisen after the conclusion of the contract and are attributable to the Supplier (e.g. lack of compliance with statutory requirements), or the Supplier's financial circumstances deteriorate after the conclusion of the contract to such an extent that a delivery conforming to the contract is not to be expected.

3. SCHEDULED DELIVERY DATES AND DEFAULT IN DELIVERY, SHIPMENT

- (1) The agreed delivery dates and periods shall be binding. If the delivery period is not stated in the order and has also not been agreed upon elsewhere, the delivery period shall be 2 weeks from the time of the conclusion of the contract. The date of receipt of the Goods at the delivery address specified by us, or the timeliness of successful acceptance, shall be decisive for adherence to the scheduled delivery date or period. The Seller shall inform us in writing without delay if it anticipates not being able to adhere to agreed delivery periods for any reasons whatsoever. Premature deliveries or sub-deliveries shall be permissible only with our prior written consent.
- (2) If the Seller fails to render its service or fails to do so within the agreed delivery period, or if it enters into default, our rights, in particular our rights to rescission and to damages, shall be governed by the statutory provisions. The provisions in subsection (3) shall remain unaffected.
- (3) If the Seller is in default, we may - in addition to further statutory claims - demand compensation for our default-related loss at the flat rate of 1 % of the net price per full calendar week, but in total no more than 10 % of the net price of the goods delivered late. We reserve the right to prove a higher loss. Conversely, the Seller may prove that no loss, or only a considerably lower loss, was incurred.

4. SERVICE, DELIVERY, PASSAGE OF RISK, DEFAULT IN ACCEPTANCE

- (1) Without our prior written consent, the Seller shall not be entitled to have the service owed by it rendered by third parties (e.g. subcontractors). The Seller shall bear the procurement risk for its service, unless otherwise agreed upon in the individual case concerned (e.g. limitation to stock).
- (2) Unless otherwise agreed upon in writing, the delivery shall be made free of charge to the shipping address stated and shall include packaging and transportation as well as customs formalities and customs duty.
- (3) The risk of accidental destruction and accidental deterioration of the item shall pass to us when the item is handed over at the place of performance. Where acceptance has been agreed upon, acceptance shall be decisive for the passage of risk.
- (4) The occurrence of default in acceptance shall be governed by the statutory provisions. The Seller shall expressly offer its service even if a certain calendar period has been agreed upon for the act or cooperation on our part (e.g. provision of material).
- (5) A delivery note stating the date, the content of the delivery as well as our order code shall be enclosed with the delivery. If the delivery note is incomplete, we shall not be responsible for any delays resulting therefrom.

5. PRICES AND PAYMENT TERMS, RENDERING OF ACCOUNT

- (1) The price stated in the order shall be binding. All prices are understood to be net fixed prices and exclude additional claims.
- (2) Unless otherwise agreed upon in the individual case concerned, the agreed price shall include all the Seller's services and supplementary services (e.g. assembly, installation) as well as all incidental expenses (e.g. proper packaging, transport costs, including any transport and liability insurance).
- (3) The price / payment shall be due and payable within 30 calendar days of complete delivery and performance as well as receipt of a proper invoice.
- (4) We shall not owe any overdue payment interest. Default in payment shall be governed by the statutory provisions.
- (5) Invoices shall be submitted separately and in proper statutory form as one single copy, stating the order no., the item, the material designation and the IT number.
- (6) In the event of advance payments, the Seller shall provide appropriate security, e.g. a guarantee, on request.
- (7) We shall, to the statutory extent, be entitled to set-off and retention rights and the right to plead non-performance of the contract. In particular, we shall be entitled to withhold due payments as long as we are still entitled to claims against the Seller on the basis of incomplete or defective services.
- (8) The Seller shall have a right of set-off or retention only on the basis of counter-claims that have been determined by a final and non-appealable court judgement or are undisputed.

6. OWNERSHIP PROTECTION, MAINTENANCE OF SECRECY

- (1) We shall retain title or copyright to orders placed by us, as well as to drawings, illustrations, calculations, descriptions and other documents made available to the Supplier. Without our express consent, the Supplier shall not make these accessible to third parties or use or copy these itself or through third parties. At our request, the Supplier shall completely return these documents to us if it no longer needs these in the ordinary course of its business, or if negotiations do not lead to the conclusion of a contract. In such case, copies thereof made by the Supplier shall be destroyed; merely retention within the scope of statutory retention duties as well as data storage for backup purposes within the scope of customary data security shall be excluded herefrom.
- (2) Tools and models that we make available to the Supplier, or that are manufactured for contractual purposes and for which the Supplier charges us separately, shall remain our property or become our property. The Supplier shall make these identifiable as our property, store these in a safe place, protect them against damage of any kind to a reasonable extent and use these only for purposes of the contract. The cost of the maintenance and repair of wear and tear parts in the course of proper use shall be borne by the Supplier, unless otherwise agreed upon. The Supplier shall, without delay, notify us of all not insignificant damage to these tools and models. On request, the Supplier shall surrender these to us in good working order if it no longer needs these for the performance of the contracts entered

into with us.

- (3) Any processing, mixing or combining (further processing) by the Seller in respect of items supplied shall be carried out by the Seller on our behalf. The same shall apply in the event of further processing of the delivered Goods by us, with the effect that we shall be deemed to be the manufacturer and shall, in accordance with the statutory provisions, acquire ownership of the product no later than at the time of the further processing.
- (4) Any retention of title by the Supplier shall apply only insofar as this relates to our obligation to pay for the respective products to which the Supplier retains title. All other forms of retention of title, in particular extended and passed-on retention of title as well as prolonged retention of title covering the further processing shall thus be excluded.
- (5) The Seller shall make available, free of charge, drawings and any overview drawings concerning non-mass-produced installations, apparatuses, machine parts and tools that are subject to wear and tear. We shall thus receive the right to use these documents for manufacturing spare parts, making changes to delivered items, or the like, ourselves or through third parties.
- (6) The documents shall be kept secret in relation to third parties, even after the contract has ended. The obligation to maintain secrecy shall cease to apply if and insofar as the knowledge contained in the documents provided has become public knowledge.
- (7) Sub-suppliers shall be instructed accordingly.
- (8) Without our prior written consent, it shall not be permissible to use enquiries or orders from the Tillmann Group, or any other correspondence, for advertising purposes.

7. WARRANTY CLAIMS

- (1) In the event of defects, we shall be entitled to the statutory claims without limitation.
- (2) Contrary to Section 422 (1), sentence 2 *BGB*, we shall be entitled to defect-related claims without limitation even if the defect concerned was unknown to us at the time of the conclusion of the contract due to gross negligence.
- (3) The commercial obligation to inspect the Goods and give notification of any defects shall be governed by the statutory provisions (Sections 377, 381 *HGB* [German Commercial Code]), with the following proviso: Our obligation to inspect shall be limited to defects (e.g. transport damage, incorrect delivery or under-delivery) that come to light in the course of our inspection of the incoming Goods upon external appraisal, including the delivery documentation, or are detectable in the course of our quality control by means of random checks. Where acceptance has been agreed upon, there shall be no obligation to inspect. In all otherwise respects, the decisive factor shall be to what extent an inspection is feasible in the proper course of business, taking account of the circumstances of the individual case concerned. Our obligation to give notification of defects discovered at a later date shall remain unaffected. Notwithstanding our obligation to inspect, our notification of defects shall invariably be deemed to have been given without delay and in due time if it is sent within 10 working days of discovery of the defects or, in the case of obvious defects, within 10 working

days of delivery.

- (4) Our acceptance or approval of samples or specimens presented shall not constitute a waiver of our warranty claims.
- (5) When the Supplier receives our written notification of defects, the limitation period for warranty claims shall be suspended until the Supplier has rejected our claims or has declared the defect to have been eliminated or has otherwise refused to continue negotiations concerning our claims. In the case of replacement or repair, the warranty period for replaced and repaired parts shall begin anew, unless we must assume from the Supplier's conduct that the Supplier did not consider itself obliged to carry out the measure concerned, but only carried out the replacement or repair for goodwill or similar reasons.

8. SUPPLIER RECOURSE

- (1) In addition to the defect-related claims, we shall, without limitation, be entitled to our legally stipulated recourse claims within a supply chain. In particular, we shall be entitled to demand of the Seller precisely the type of supplementary performance that we owe our customer in the individual case concerned. Our statutory right to choose shall not be limited as a result thereof.
- (2) Before we acknowledge or fulfil a defect-related claim asserted by our customer (including any expenditure reimbursement under Sections 445 a (1), 439 (2) and (3) *BGB*), we shall notify the Seller and, briefly setting out the facts and circumstances, request a written statement. If the Supplier fails to submit a substantiated statement within a reasonable period, and a solution is not brought about by mutual agreement, the defect-related claim actually conceded by us shall be deemed owed to our customer. In this case, it shall be incumbent upon the Seller to furnish proof to the contrary.
- (3) Our claims arising from supplier recourse shall apply even if the defective Goods are further processed by us or another business owner, e.g. by installing them into another product.

9. PRODUCER LIABILITY

- (1) Where the Seller is responsible for product damage, it shall indemnify us against third-party damage claims insofar as the cause lies within its sphere of control and organisation, and the Seller itself is liable externally.
- (2) The Seller shall, within the scope of its obligation to indemnify, reimburse expenditure under Sections 683, 670 *BGB* that ensues from or in connection with any claims brought by third parties, including recall campaigns carried out by us. Insofar as possible and reasonable, we shall inform the Seller of the subject-matter and scope of recall measures and give it the opportunity to comment. Further statutory claims shall remain unaffected.
- (3) The Seller shall take out and maintain product liability insurance with blanket cover amounting to at least 10 million € per case of personal injury/property damage.

10. COPYRIGHTS AND PROPERTY RIGHTS

- (1) All copyrights, property rights and know-how in respect of the documents and items handed over by us in connection with the delivery or manufacture of products to the Supplier shall remain exclusively with the Tillmann Group companies. The Supplier shall receive, merely for the period of execution of the specific delivery transaction, a royalty-free, limited and non-transferable right of use, unless otherwise expressly agreed upon.
- (2) Where the drawings, samples and other documents created by the Supplier in accordance with our specifications constitute works protected under copyright law, the Supplier shall transfer to us the exclusive right of use without limitation as regards territory or time.
- (3) The Supplier warrants in accordance with subsection 4 that no third-party property rights shall be infringed by it in countries of the European Union or in any other countries where it manufactures the products or has the products manufactured. We shall be under no obligation to check whether property rights are breached as a result of products delivered by the Supplier.
- (4) The Supplier shall indemnify us against all claims that third parties assert against us on the basis of the industrial property right infringement referred to in subsection 1 and reimburse us for all necessary expenditure in connection with those claims. This shall not apply insofar as the Supplier proves that it is not responsible for the property right infringement, and that it ought not have known of this infringement upon applying commercial diligence.
- (5) Our further statutory claims based on defects in title regarding the products delivered to us shall remain unaffected.
- (6) The Supplier shall, without delay, inform us of third-party property right claims concerning the products delivered and leave the legal defence to us at its expense.

11. DELIVERY OF A REPLACEMENT

- (1) The Supplier warrants a smooth supply of spare parts at fair market prices for a period of at least ten years from the date of the delivery. Insofar as the product to be delivered is, according to the contract, ultimately intended to be used for car manufacturing, the aforementioned period shall be increased to at least 15 years.
- (2) If the production of spare parts has been discontinued, the Seller shall, on request, surrender design documents/ drawings to us for an appropriate fee and use these documents for the manufacture of spare parts exclusively for its own use.

12. QUALITY AND DOCUMENTATION, DUTIES TO NOTIFY

- (1) The Supplier guarantees that all deliveries/services shall conform to the latest state of the art, the relevant legal provisions and the provisions and guidelines of public authorities, occupational insurance associations and trade associations. If deviations are necessary, the Seller shall obtain written approval. The same shall apply to compliance with quality assurance agreements / rules separately entered into with us.

- (2) Inspection documents shall be stored in accordance with the statutory provisions and be presented when required. A longer retention period may be agreed upon between the parties.
- (3) The Seller shall communicate to us the registration number for all materials mandatorily registrable under the Regulation (EC) No. 1907/2006 (REACH Regulation), regardless of whether these are delivered as material or as part of a preparation. If the Seller advises against materials, it shall give express written notification thereof.
- (4) For parts and materials as well as for processes subject to special treatment as a result of laws, regulations and other provisions or due to their composition and their impact on the environment, *inter alia* with regard to transportation, packaging, marking, storage, handling, manufacture and disposal, the statutory provisions of the country of manufacture and the country of distribution shall be mandatorily fulfilled by the Supplier. It shall be ensured that the packaging is environmentally friendly.
- (5) The Seller shall, on the basis of Section 4 (1) *Geräte- und Produktsicherheitsgesetz* [Equipment and Product Safety Act], communicate all information that is relevant to an assessment of the risk to the health and safety of users of the product or of third parties.
- (6) If the Seller offers a product that we have already procured from it, and the specification has changed compared to a product delivered earlier under the same designation, the Seller shall, notwithstanding further duties to notify, point out the changes of its own accord.

13. TERMINATION

- (1) Insofar as the parties have agreed upon a master contract on the basis of which orders can be placed with the Supplier concerning the delivery of parts or services, the parties shall have the right to terminate these contracts with 12 months' written notice.
- (2) Each party shall have the right to terminate a contract for good cause at any time without prior notice. There shall be good cause if:
 - a) insolvency proceedings concerning the other contracting party are instituted, or
 - b) the other contractual partner discontinues its payments or
 - c) has breached material contractual duties.

14. STATUTE OF LIMITATION

- (1) The contracting parties' claims against each other shall become statute-barred in accordance with the statutory provisions, unless otherwise stipulated below.
- (2) Contrary to Section 438 (1), no. 3 *BGB*, the general limitation period for defect-related claims is 3 years from the passage of risk. Where acceptance has been agreed upon, the limitation period shall begin at the time of acceptance. The 3-year limitation period shall also apply accordingly to claims arising from defects in title. In this respect, however, the statutory limitation period for in-rem repossession claims of third parties (Section 438 (1), no. 1 *BGB*) shall remain unaffected. Moreover, claims arising from defects in title shall in no

event become statute-barred as long as the third party can still assert the right against us, particularly in the absence of limitation.

- (3) The limitation periods under sales law, including the above extension, shall - to the statutory extent - apply to all contractual defect-related claims. Where we are also entitled to extra-contractual damage claims based on a defect, the normal statutory limitation period shall apply in this respect (Sections 195, 199 *BGB*), unless application of the regular statute of limitation under sales law would lead to a longer limitation period in the individual case concerned.

15. FINAL PROVISIONS

- (1) These GT&CsP and the contractual relationship between us and the contractual partner shall be governed by the laws of the Federal Republic of Germany, excluding international uniform law, in particular UN sales law.
- (2) If the Seller is a merchant as defined by the *Handelsgesetzbuch* [German Commercial Code], a legal entity under public law or a special fund under public law, the place where our respective registered office is situated shall - also internationally - be the exclusive place of jurisdiction for all disputes ensuing from the contractual relationship. The same shall apply accordingly if the Seller is a business owner as defined by Section 14 *BGB*. However, we shall also invariably be entitled to file a lawsuit at the place of performance of the delivery obligation in accordance with these GT&CsP or any overriding individual agreement or at the Seller's place of general jurisdiction. Overriding statutory provisions, in particular those relating to exclusive jurisdiction, shall remain unaffected.
- (3) If any provision in these GT&CsP is or becomes wholly or partly void, ineffective or inoperable, or an intrinsically essential provision is lacking, this shall not affect the effectiveness or operability of any of the other remaining provisions of these GT&CsP. Such void, ineffective or inoperable provision shall be deemed replaced, or such omission filled, with a legally permissible provision that reflects as closely as possible what the parties intended or would have agreed upon in accordance with the spirit and purpose of these GT&CsP, had they been aware of the provision or omission. If a provision is void due to a measure of performance or time (time limit or deadline) specified therein, the provision shall be deemed agreed upon with a legally permissible measure that comes closest to the original measure.
- (4) Amendments and supplements to these GT&CsP must be in writing. This shall also apply to any waiver of this written form requirement. Section 127 (2) *BGB* is inapplicable.

Annex: Companies of the Tillmann Group

Tillmann Profil GmbH

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42799 Leichlingen

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