

## **General Terms of Purchase of Hella Gutmann Solutions GmbH**

### **Section 1 General**

These General Terms of Purchase of Hella Gutmann Solutions GmbH (GTP) shall apply to all deliveries of goods and services by the Supplier to Hella Gutmann Solutions GmbH (HGS). The goods or services (hereinafter referred to as "Contractual Items" or "Goods" or "Services") are primarily intended for use in products of HGS for use in automotive repair garages in Europe.

### **Section 2 Terms of delivery**

(1) All orders placed by HGS shall be subject exclusively to these Terms of Purchase, unless expressly agreed otherwise in individual cases. Terms of sale of the Supplier that deviate in content shall not become the basis of the contract even if HGS does not expressly object to them in individual cases.

(2) The GTP shall also apply to future business relations, even if they are not expressly agreed again.

(3) Any amendments or supplements and other ancillary agreements must be made in writing.

(4) The specifications, drawings, descriptions and other documents agreed between HGS and the Supplier shall apply to the performance of the Goods or Services. The Supplier shall provide its Services using a quality management system that complies with the respective current ISO requirements and undertakes to continuously develop this system in accordance with the state of the art. The environmental management of the Supplier shall comply with the requirements of DIN EN ISO 14001 or EMAS in the respective form valid at the time of delivery and proof in the form of a certificate shall be provided at the request of HGS.

### **Section 3 Order / Conclusion of contract**

(1) Deliveries shall be made on the basis of individual orders or rolling delivery schedules submitted in writing by HGS.

(2) Individual orders, delivery call-offs and contracts shall be confirmed in writing by the Supplier immediately on receipt.

(3) Oral agreements of any kind - including subsequent amendments and supplements to these GTP - shall require written confirmation by HGS in order to be effective.

(4) The written form is also met by fax, remote data transmission or email.

(5) Cost estimates shall be binding and shall not be remunerated unless expressly agreed otherwise.

(6) If the Supplier does not accept the order within two weeks of receipt, HGS shall be entitled to revoke the order.

(7) In the case of orders within the framework of order and call-off planning, no separate confirmation shall be issued by the Supplier. Delivery call-offs shall become binding unless the Supplier objects immediately - at the latest, however, within two working days of receipt.

### **Section 4 Materials provided**

(1) The materials and devices provided free of charge by HGS for production at the Supplier's premises shall remain the property of HGS and shall be inspected immediately by the Supplier for visually recognizable defects. A quantity and identity check is to be carried out. Differences must be reported to HGS within one working day.

(2) The Supplier is obliged to handle them with care and to store them properly.

(3) During production, the Supplier shall carry out further inspections insofar as these are agreed separately with HGS or are required in accordance with its quality management system. If the Supplier detects quality or quantity defects, HGS shall be informed immediately in order to coordinate further measures. If these quality or quantity defects are due to the fault of the Supplier, e.g. during production, the Supplier undertakes to order a replacement delivery at cost.

(4) The processing of the materials provided by HGS shall in any case be carried out for HGS. Insofar as the value of the materials provided by HGS exceeds the value of the processing and, if applicable, the other components of the newly produced items, the newly produced items shall become the property of HGS, otherwise co-ownership shall be deemed between HGS and the Supplier in the ratio of the value of the material provided to the value of the processing and the other components. In order to clarify matters: This is in no way intended to limit the Supplier's obligation to provide HGS with unrestricted and unencumbered ownership of the Contractual Items upon delivery thereof.

### **Section 5 Delivery dates, place of delivery, delivery note, partial deliveries**

(1) Agreed delivery dates and deadlines are binding. The receipt of the Goods at HGS shall be decisive for compliance with the delivery date or delivery period.

(2) The Supplier shall immediately notify HGS of any delays in delivery as soon as they become apparent.

(3) Unless otherwise agreed in writing in individual cases, all deliveries shall be made by the Supplier DAP to the delivery address specified in the order (INCOTERMS 2020). For clarification of import issues, contact can be made directly with the specialist department: [einkauf@hella-gutmann.com](mailto:einkauf@hella-gutmann.com).

(4) Each delivery shall be accompanied by a delivery note in duplicate in a marked position.

(5) If the Supplier has assumed the installation or assembly, the Supplier shall bear all necessary expenses such as travel costs, provision of tools.

(6) HGS is entitled to refuse acceptance of Goods that are not delivered on the delivery date specified in the order and to return them at the Supplier's expense and risk or to store them with third parties.

(7) Partial deliveries are generally inadmissible unless HGS has expressly agreed to them or they are reasonable for HGS.

#### **Section 6 Delay in delivery**

(1) In the event of non-compliance with delivery dates specified in the individual orders or in the rolling delivery schedules, the Supplier shall be obliged to compensate HGS for all damage caused by delay, unless it can be proven that it is not responsible for the delay. If the delivery is a transaction on a fixed date, HGS's claim for performance shall only expire if it does not assert this claim within a period of 30 days after expiry of the delivery date.

(2) If a period of grace has elapsed in vain or in case of cessation of interest, HGS shall also be entitled to withdraw from the order concerned and to claim damages instead of performance. Possible claims of HGS for compensation of damage caused by delay shall remain unaffected herefrom. In the event of repeated delays in delivery, HGS shall be entitled, after prior written warning, to terminate the orders not yet fulfilled at that time in their entirety with immediate effect.

(3) The unconditional acceptance of the delayed delivery or Service shall not constitute a waiver of the claims for compensation to which HGS is entitled due to the delayed delivery or Service; this shall apply until full payment of the remuneration owed by HGS for the delivery or Service concerned.

#### **Section 7 Payments and terms of payment**

(1) Unless a special agreement has been made, payment shall be made by HGS after receipt of the Goods at HGS either within 21 days after receipt of the invoice net with a 3% discount, otherwise 60 days after receipt of the Goods net. Payments shall be made by the means of payment chosen by HGS.

(2) The weights or quantities determined at the unloading point shall be decisive for the calculation and payment of the deliveries. Notwithstanding the provisions of section 12, in the event of defective delivery HGS shall be entitled to withhold payment on a pro rata basis until proper performance. Any drafts, drawings, samples and cost estimates shall only be paid for if a written agreement has been entered into with HGS in advance.

(3) The Supplier shall not be entitled to assign its claims against HGS to third parties or to have them collected by third parties without the prior written consent of HGS, which may not be unreasonably withheld. If the Supplier in turn is supplied under extended reservation of title, the consent in the sense of the preceding sentence to an assignment to these pre-suppliers shall be deemed granted. If the Supplier assigns its claims against HGS contrary to sentence 1 of this section 7 clause 3 to a third party without their prior written consent, the assignment shall nevertheless be effective. However, HGS may, at its choice, make payment to the Supplier or the third party with discharging effect.

#### **Section 8 Force majeure**

Industrial disputes, but not strikes limited to the Supplier's company, riots, measures of authorities and other unforeseeable, unavoidable and serious events shall release the parties from their contractual obligations for the duration of the disruption and to the extent of its effect. The parties are obliged to exchange the necessary information without delay within the scope of what is reasonable and to adjust their obligations to the changed circumstances in good faith.

#### **Section 9 Secrecy**

(1) The Supplier shall treat as confidential all information that is not in the public domain, in particular specifications, drawings, templates, models, tools, documents, software, as well as other data carriers that HGS has made available to the Supplier on the basis of this agreement or in connection therewith, and shall not pass them on to third parties or reproduce them unless this is absolutely necessary for the performance of the contractual Services. The Supplier shall ensure that its employees and its vicarious agents undertake to maintain confidentiality accordingly. HGS reserves all property rights and copyrights to the information and items listed in the aforementioned sentence 1 which it has made accessible to the Supplier on the basis of this agreement or in connection with it.

(2) The Supplier may only advertise its business relationship with the prior written consent of HGS.

(3) Contractual items that are manufactured according to information, specifications, drawings or models of HGS or from tools paid for in whole or in part by HGS may neither be offered nor sampled nor delivered to third parties unless HGS has expressly given its prior written consent to this. The same shall apply accordingly to drawings, models, samples or similar provided by HGS.

#### **Section 10 Proof of origin**

Prior to the first delivery of a product, the Supplier undertakes to submit a legally binding global Supplier's declaration in accordance with the respective applicable EU Regulation and to notify HGS immediately of any change in the origin characteristics of the delivered products. If necessary, the Supplier shall provide evidence of its information on the origin of the Goods by means of an information sheet confirmed by its competent customs office. It shall be liable for all disadvantages arising from improper or delayed submission of the Supplier's declaration.

#### **Section 11 REACH**

(1) The Supplier shall ensure that all substances in the products (e.g. raw materials, auxiliary materials, operating materials, components, parts) which are delivered to HGS and which require registration according to REACH (EC Regulation 1907/2006: Registration, Evaluation and Authorisation of Chemicals) are pre-registered by it or its upstream suppliers and subsequently registered within the time window specified by

REACH for the intended use of HGS. If, contrary to expectations, this should not be the case, HGS must be informed immediately.

(2) If the products delivered to HGS (including packaging) contain SVHC substances (Substances of Very High Concern) with a concentration higher than 0.1% by mass, these products have to be declared to HGS. The current SVHC substances are listed in the candidate list published by the EU, which is constantly updated. The Supplier has to inform itself about the current status of the candidate list at any time.

### **Section 12 Modification of the Contractual Item**

(1) The Supplier shall notify HGS of any technical modification intended by the Supplier for the delivery of approved Contractual Items as early as possible, but no later than 15 months before the introduction of the modification.

(2) The delivery of such modified Contractual Items shall in any case require the prior express written consent of HGS, for example within the scope of a renewed initial sample approval. Insofar as the Contractual Items are manufactured according to HGS's specifications, this shall also apply to the modification itself. All costs incurred by HGS as a result of these modifications, e.g. qualification costs, modification costs, testing expenses, development costs, costs of a renewed initial sample approval, etc. shall be borne by the Supplier.

(3) In the event of discontinuation of electronic components (PTN process), the Supplier undertakes to supply HGS with the original Goods for the entire duration of the projects equipped with this component.

All modifications (PCNs) and discontinuations (PTNs) must be announced globally at least 15 months before the LOD (last order date): pcn@hella.com. The PCN/PTN notification must include all affected HGS material numbers. HGS undertakes to name the all-time requirements in return for the LOD named by the Supplier. Any required storage of all-time stocks shall be stored at the Supplier's expense and risk.

(4) In the case of electronic components, the Supplier undertakes to make a maximum of 1 modification (PCN) per component within 24 months. Furthermore, the Supplier undertakes not to make any discontinuations for components that have been specially developed for Hella applications during the entire life cycle of the projects.

(5) The above provisions in sections 12.1, 12.2, 12.3 and 12.4 shall apply mutatis mutandis to the change of procurement sources for input material or components as well as to the change of the production site or significant changes in the manufacturing process at the Supplier.

(6) Within the scope of reasonableness for the Supplier, HGS may demand changes to the Contractual Items in design and execution. In doing so, the effects, in particular with regard to the additional and reduced costs as well as the delivery dates, shall be regulated by mutual agreement in an appropriate manner.

### **Section 13 Delivery assurance**

(1) Insofar as the Contractual Items are Goods specially developed for HGS, in particular where HGS has directly or indirectly contributed to the costs for development and/or production means, the Supplier undertakes to supply HGS with the Contractual Items within the scope of its requirements and to accept orders from HGS as long as HGS needs the Contractual Items. The Supplier shall be notified in good time of the anticipated delivery volume in accordance with the customer demand forecasts available to HGS. However, a claim of the Supplier for the acceptance of certain quantities by HGS does not exist irrespective of the provision in clause 2, unless expressly agreed otherwise in writing.

(2) In order to ensure the production of spare parts at HGS, the Supplier undertakes to guarantee the supply of the Contractual Items required for this purpose until the expiry of at least 15 years (unless other periods are agreed in writing) after the end of the series production of the HGS products in which the respective Contractual Items are installed. If it becomes apparent to the Supplier within this period that this will no longer be possible for it, it shall immediately announce the end of the supply possibility to HGS and, insofar as the Supplier cannot offer HGS any other possibilities that are reasonable for it, grant HGS the opportunity to procure an all-time requirement 12 months before the end of production.

### **Section 14 Notification of defects**

Defects in the delivery shall be notified to the Supplier immediately by HGS as soon as they are detected in the ordinary course of business. The incoming goods inspection at HGS is limited to a visual inspection of the transport packaging for externally visible damage, e.g. transport damage, a quantity check as well as an identity check based on a comparison of the delivery documents with the order documents. Further, in particular measuring inspections need not be carried out. HGS shall carry out inspections during production in accordance with the requirements of its QA management system. In this respect, the Supplier waives the objection of late notification of defects.

### **Section 15 Liability for defects**

(1) The Supplier warrants that the Contractual Items are free of defects and comply with the agreed specifications and the recognised rules of technology.

(2) If HGS agrees to specifications, drawings, calculations or other documents of the Supplier, this shall not affect the sole responsibility of the Supplier for the Contractual Items. This shall also apply to suggestions, recommendations or other cooperative actions regarding the Supplier's performance by HGS.

(3) If the Supplier recognizes on the basis of its expertise that the order placed by HGS is incomplete or that the purpose of the order placed by Hella cannot be achieved by the delivery, it shall inform Hella thereof immediately and comprehensively.

(4) In the event of delivery of defective Goods, HGS shall be entitled to demand immediate supplementary performance through subsequent delivery or rectification. The details of the implementation of the supplementary performance by the Supplier shall be decided by HGS at its reasonable discretion after consultation with the Supplier.

(5) If, as a result of the defective delivery, HGS incurs increased costs to meet its own delivery dates (e.g. sorting costs, increased inspection costs in production, etc.), these shall also be borne by the Supplier.

(6) HGS may withdraw from the order as well as return the Goods at the risk and expense of the Supplier or reduce the purchase price if the Supplier does not comply with HGS's request for supplementary performance within a reasonable period of time it has set. In addition, HGS has the right to claim damages. The setting of a deadline is dispensable if the subsequent performance is actually or economically impossible.

(7) HGS shall be entitled to return defective Contractual Items at the Supplier's expense or, after prior agreement with the Supplier, to sort them out and, if necessary, scrap them at the Supplier's expense.

(8) In urgent cases, if possible after prior information of the Supplier, provided that the Supplier can be reached, HGS may carry out a possible rectification itself or have it carried out by third parties to the necessary extent in order to comply with its own delivery obligations or, if necessary, procure defect-free Contractual Items from third parties. The reasonable and proven costs required for this shall be borne by the Supplier.

(9) If a defect is only discovered after further processing of the Contractual Items despite observance of the regulations in clause 13 of this agreement, the following shall also apply: the Supplier shall be obliged to bear all expenses associated with the replacement or the rectification of the defective Contractual Items, in particular testing, transport, travel, labour and material costs, irrespective of whether said expenses were incurred by it, by HGS or by third parties. This also includes the costs of a necessary replacement or repair of products in which HGS has installed defective Contractual Items.

(10) If, due to a series defect, the replacement of an entire series of Contractual Items or HGS products, in which the Contractual Items have been installed, becomes necessary, for example because a defect analysis is uneconomical, not possible or not reasonable in the individual case, the Supplier shall reimburse the above-mentioned costs, also with regard to the part of the affected series which technically does not have a defect.

(11) Unless the parties have expressly agreed otherwise in writing, claims arising from liability for defects shall become statute-barred – except in cases of fraudulent intent – upon expiry of 3 years from delivery to HGS. However, the limitation period shall be shortened accordingly if the claims of HGS's customers arising from liability for defects expire earlier.

(12) HGS shall inform the Supplier, insofar as this is necessary for the performance of this agreement and is legally possible for HGS, about the warranty agreements existing between itself and the customers and shall grant access to the relevant documents upon request.

(13) In the case of parts relevant to emissions and safety, the period of the Supplier's liability for defects shall be governed by the statutory provisions applicable to HGS in the individual countries to which HGS exports, provided that the statutory limitation periods applicable there exceed 3 years.

(14) Unless otherwise provided for in the foregoing, liability for defects shall otherwise be governed by the statutory provisions.

#### **Section 16 Liability**

Insofar as HGS or a third party suffers damage due to a defect in a Contractual Item or due to the breach of contractual obligations under this agreement by the Supplier, the Supplier shall compensate all resulting damage within the scope of the statutory provisions.

#### **Section 17 Product liability and recall**

(1) In the event that claims are made against HGS on the basis of product liability due to a defect caused by the Supplier in the delivered Contractual Item, the Supplier shall be obliged to indemnify HGS against such claims. In cases of fault-based liability, however, this shall only apply if the Supplier is at fault. If the cause of the damage lies within the Supplier's area of responsibility, the Supplier must prove that it is not at fault.

(2) In the cases of section 17 number (1), the Supplier shall assume all costs and expenses including the costs of legal action.

(3) In the event of a recall action which is initiated in whole or in part as a result of a defect in the Contractual Item delivered by the Supplier, the recall action shall be carried out after prior consultation with the Supplier, unless the particular urgency precludes this. The costs of a recall action which is the result of a defect in the Contractual Item delivered by the Supplier shall be borne by the Supplier.

#### **Section 18 Industrial property rights**

(1) The Supplier shall be liable for ensuring that no industrial property rights and copyrights of third parties are infringed by the Contractual Items, Goods or Services delivered by it. It shall indemnify HGS and its customers against all claims, damage, demands, liabilities and other costs (including all costs of legal prosecution) arising from the use of such industrial property rights or copyrights.

(2) Liability shall not apply if the Supplier has manufactured the Contractual Items in accordance with mandatory specifications of HGS.

(3) Insofar as HGS has contributed to the costs for the development of the Contractual Items, HGS shall receive, without prejudice to any further-reaching rights based on a separate agreement with the Supplier, a temporally and locally unrestricted, free, non-exclusive right of use for all purposes including the right to sublicense the inventions used in the Contractual Items or the existing copyrights thereto. Insofar as part of the Supplier's Services is the creation of software, the Supplier shall provide HGS with the source code including the software documentation upon request.

## **Section 19 Compliance**

The Supplier is obliged not to commit any acts which may lead to criminal liability due to fraud or breach of trust, insolvency offences, offences against competition, granting of advantages, acceptance of benefits, bribery, corruption or comparable offences by persons employed by the Supplier or other third parties. The same applies to an omission in breach of duty. In the event of a violation of the above, HGS shall be entitled to rescind or terminate all existing legal transactions with the Supplier without notice and to cease all negotiations. Notwithstanding the aforementioned, the Supplier undertakes to comply with all laws and regulations relevant for itself and the business relationship with HGS.

## **Section 20 General provisions**

(1) If one of the parties to the agreement ceases to make payments or if insolvency proceedings are applied for against its assets or are rejected for lack of assets or if insolvency proceedings are opened, the other party shall be entitled to withdraw from the orders for the scope of delivery not yet fulfilled at that time.

(2) The Supplier agrees that for the purpose of order processing and invoice verification, the necessary data shall be stored in electronic files by HGS, taking into account the requirements of statutory data protection.

(3) The place of performance is the registered office of HGS or the delivery address specified by HGS. For the payment something else can be agreed between the parties.

(4) HGS shall be entitled to rights of set-off and retention in the statutory scope. The Supplier may only set off its own claims if its counterclaims have been legally established, are undisputed or acknowledged by HGS. It shall only be entitled to exercise a right of retention insofar as its counterclaim is based on the same contractual relationship.

## **Section 21 Final provisions**

(1) Insofar as the written form is stipulated in this agreement for notifications or declarations of the parties, this shall also be complied with by transmission of the declaration by fax.

(2) The law of the Federal Republic of Germany shall apply. The UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.

(3) The place of jurisdiction for all disputes arising from the legal relationship with the customer is Freiburg im Breisgau.

(4) If individual provisions of the contract with the Supplier, including these GTP, be or become ineffective in whole or in part, this shall not affect the validity of the remaining provisions. The wholly or partially ineffective provision shall be replaced by a provision the economic success of which comes as close as possible to that of the ineffective provision.