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# General Delivery Conditions ("DELIVERY CONDITIONS")

Version 3 - August 2024

## Article I: General Provisions

1. Legal relations between Supplier and Purchaser in connection with components of the Supplier (hereinafter referred to as "Products") shall be solely governed by the present DELIVERY CONDITIONS. These DELIVERY CONDITIONS shall apply to the exclusion of, and shall prevail over, any terms and conditions of the Purchaser (including any pre-printed standard terms and conditions on the reverse of, or attached to, any order or any other correspondence issued by the Purchaser in connection with a contract). Such terms and conditions of Purchaser are excluded. The Supplier's failure to object to such standard terms and conditions shall not be regarded as a waiver of this exclusion. The Purchaser's general terms and conditions shall apply only if expressly accepted by the Supplier in writing.
2. The scope of delivery shall be determined by the congruent mutual written declarations. The delivery quantities and dates stated in the order acknowledgement of Supplier shall only be binding for the order quantities specified as binding in the order respectively in the call-off of Purchaser. Any further delivery quantities and dates stated in the order acknowledgement of Supplier are non-binding.
3. The Supplier herewith reserves any industrial property rights and /or copyrights pertaining to its cost estimates, drawings and other documents (hereinafter referred to as "Documents"). The Documents shall not be made accessible to third parties without the Supplier's prior consent and shall, upon request, be returned without undue delay to the Supplier if the contract is not awarded to the Supplier. Sentences 1 and 2 shall apply mutatis mutandis to the Purchaser's Documents; these may, however, be made accessible to those third parties to whom the Supplier has right fully sub-contracted Products.
4. Partial deliveries are allowed, unless they are unreasonable to accept for the Purchaser.
5. The term "claim for damages" used in the present DELIVERY CONDITIONS also includes claims for indemnification for useless expenditure.
6. An acceptance of any referenced information and / or referenced documents of the Purchaser is not associated with an order acceptance.
7. The Products ordered are finally described by the specification signed by both parties. In case no such signed specification exists, Supplier's specification shall be the final description of the Product.
8. The export of Products and documentation to which the contract relates may for example as a result of their nature or purpose be subject to the need for approval (see also notes in the delivery notes and invoices).
9. The obligation to supply Products or services does not apply, if and to the extent necessary approvals for the supply (including but not limited to approvals agreed with Purchaser in individual contracts) have not been given and / or not been given in time by Purchaser and / or if such circumstances subsequently become known to Supplier.

## Article II: Prices, Terms of Payment, and Set-Off

1. Prices are ex works and excluding packaging, taxes, tariffs, customs duties, etc. as well as any other applicable charges; value added tax shall be added at the then applicable rate.
2. Price shall be subject to the appropriate VAT, which shall be invoiced separately.
3. Payment shall be made free Supplier's paying office.
4. The Purchaser may set off only those claims which are undisputed or non-appealable.

## Article III: Retention of Title

The Products ("Retained Goods") shall remain the Supplier's property until each and every claim the Supplier has against the Purchaser on account of the business relationship has been fulfilled.

## Article IV: Time for Products; Delay

1. Delivery times set for Products shall only be binding if all Documents to be furnished by the Purchaser, necessary permits and approvals, especially concerning plans, are received in time and if agreed terms of payment and other obligations of the Purchaser are fulfilled. If these conditions are not fulfilled in time, delivery times set shall be extended reasonably; this shall not apply if the Supplier is responsible for the delay.
2. Delivery times shall be extended accordingly, if non-observance of the delivery times set is due to:
  - (a) Force Majeure. "Force Majeure" shall be deemed to include all non-foreseeable events which lie outside the sphere of influence of the Supplier, which cannot be remedied by reasonable efforts, including but not limited to natural catastrophes, highly infectious diseases, mobilization, war, civil war, terror attacks, rebellion, transport accidents or similar events (e.g. strike or lockout), acts of God, acts of government or compliance with any governmental rules or regulations;
  - (b) Virus attacks or other attacks on the Supplier's IT systems occurring despite protective measures were in place that complied with the principles of proper care; or(c) The fact that Supplier does not receive from its sub-suppliers material to produce its own Products in due time or due form.
3. If the Supplier is responsible for delay (hereinafter referred to as "Delay") and the Purchaser has demonstrably suffered a loss therefrom, the Purchaser may claim a compensation as liquidated damages of 0.5 % for every completed week of Delay, but in no case more than a total of 5 % of the price of that part of the Products which due to the Delay could not be put to the intended use.
4. Purchaser's claims for damages due to delayed Products as well as claims for damages in lieu of performance exceeding the limits specified in No. 3 above are excluded in all cases of delayed Products, even upon expiry of a time set to the Supplier to effect the Products. This shall not apply in cases of liability based on intent, gross negligence, or due to loss of life, bodily injury or damage to health. Rescission of the contract by the Purchaser based on statute is limited to cases where the Supplier is responsible for the delay. The above provisions do not imply a change in the burden of proof to the detriment of the Purchaser.
5. At the Supplier's request, the Purchaser shall declare within a reasonable period of time whether it, due to the delayed Products, rescinds the contract or insists on the delivery of the Products.
6. If dispatch or delivery due to Purchaser's request, is delayed by more than one month after notification of the readiness for dispatch was given, the Purchaser may be charged, for every additional month commenced storage costs of 0.5 % of the price of the Items of the Products, but in no case more than a total of 5%. The parties to the contract may prove that higher or, as the case may be, lower storage costs have been incurred.

## Article V: Passing of Risk

Risk shall pass from Supplier to Purchaser in accordance with the relevant agreed INCOTERM.

## Article VI: Receiving Products

The Purchaser shall not refuse to receive Products due to minor defects.

## Article VII: Defects as to Quality

The Supplier shall be liable for defects as to quality ("Sachmängel", hereinafter referred to as "Defects") as follows:

1. Defective parts or defective services shall be, at the Supplier's discretion, repaired, replaced or provided again free of charge, provided that the reason for the Defect had already existed at the time when the risk passed.
2. Claims for repair or replacement are subject to a statute of limitations of 12 months calculated from the start of the statutory statute of limitations; the same shall apply mutatis mutandis in the case of rescission and reduction. This shall not apply where longer periods are prescribed by law according to Sec. 438 para. 1 No. 2 (buildings and thing are used for building), Sec. 478 (right of recourse), and Sec. 634a para 1 No. 2 (defects of a building) German Civil Code ("Bürgerliches Gesetzbuch"), in the case of intent, fraudulent concealment of the Defect or non-compliance with guaranteed characteristics ("Beschaffensgarantie"). The legal provisions regarding suspension of the statute of limitations ("Ablaufhemmung", "Hemmung") and recommencement of limitation periods shall be unaffected.
3. Notification of Defect by the Purchaser shall be given in written form without undue delay.
4. In the case of notification of a Defect, the Purchaser may withhold payments to an amount that is in a reasonable proportion to the Defect. The Purchaser, however, may withhold payments only if the subject-matter of the notification withhold payments only if the subject-matter of the notification of the Defect involved is justified and incontestable. The Purchaser has no right to withhold payments to the extent that its claim of a Defect is time-barred. Unjustified notifications of Defect shall entitle the Supplier to demand reimbursement of its expenses by the Purchaser.
5. The Supplier shall be given the opportunity to repair or to replace the defective Product ("Nacherfüllung") within a reasonable period of time.
6. If repair or replacement is unsuccessful, the Purchaser is entitled to rescind the contract or reduce the remuneration; any claims for damages the Purchaser may have according to No. 10 shall be unaffected.

7. There shall be no claims based on Defect in cases of insignificant deviations from the agreed quality, of only minor impairment of usability, of natural wear and tear, or damage arising after the passing of risk from faulty or negligent handling, excessive strain, unsuitable equipment, defective civil works, inappropriate foundation soil, or claims based on particular external influences not assumed under the contract, or from non-reproducible software errors. Claims based on defects attribute to improper modifications or repair work carried out by the Purchaser or third parties and the consequences thereof are likewise excluded.
8. The Purchaser shall have no claim with respect to expenses incurred in the course of supplementary performance, including costs of travel, transport, labor, and material, to the extent that expenses are increased because the subject-matter of the Products has subsequently been brought to another location than the Purchaser's branch office, unless doing so complies with the normal use of the Products.
9. The Purchaser's right of recourse against the Supplier pursuant to Sec. 478 BGB is limited to cases where the Purchaser has not concluded an agreement with its customers exceeding the scope of the statutory provisions governing claims based on Defects. Moreover, No. 8 above shall apply mutatis mutandis to the scope of the right of recourse the Purchaser has against the Supplier pursuant to Sec. 478 para. 2 BGB.
10. The Purchaser shall have no claim for damages based on Defects. This shall not apply to the extent that a Defect has been fraudulently concealed, the guaranteed characteristics are not complied with, in the case of loss of life, bodily injury or damage to health, and/or intentionally or grossly negligent breach of contract on the part of the Supplier. The above provisions do not imply a change in the burden of proof to the detriment of the Purchaser. Any other or additional claims of the Purchaser exceeding the claims provided for in this Article VII, based on a Defect, are excluded.

#### **Article VIII: Industrial Property Rights and Copyrights; Defects in Title**

1. Unless otherwise agreed, the Supplier shall provide the Products free from third parties' industrial property rights and copyrights (hereinafter referred to as "IPR") with respect to the country of the place of delivery only. If a third party asserts a justified claim against the Purchaser based on an infringement of an IPR by the Products made by the Supplier and used in conformity with the contract, the Supplier shall be liable to the Purchaser within the time period stipulated in Article VII No. 2 as follows:
  - (a) The Supplier shall choose whether to acquire, at its own expense, the right to use the IPR with respect to the Products concerned or whether to modify the Products such that they no longer infringe the IPR or replace them. If this would be impossible for the Supplier under reasonable conditions, the Purchaser may rescind the contract or reduce the remuneration pursuant to the applicable statutory provisions;
  - (b) The Supplier's liability to pay damages is governed by Article XI;
  - (c) The above obligations of the Supplier shall apply only if the Purchaser (i) immediately notifies the Supplier of any such claim asserted by the third party in written form, (ii) does not concede the existence of an infringement and (iii) leaves any protective measures and settlement negotiations to the Supplier's discretion. If the Purchaser stops using the Products in order to reduce the damage or for other good reason, it shall be obliged to point out to the third party that no acknowledgement of the alleged infringement may be inferred from the fact that the use has been discontinued.
2. Claims of the Purchaser shall be excluded if it is responsible for the infringement of an IPR.
3. Claims of the Purchaser are also excluded if the infringement of the IPR is caused by specifications made by the Purchaser, by a type of use not foreseeable by the Supplier or by the Products being modified by the Purchaser or being used together with products not provided by the Supplier.
4. In addition, with respect to claims by the Purchaser pursuant to No. 1 a) above, Article VII Nos. 4, 5 and 9 shall apply mutatis mutandis in the event of an infringement of an IPR.
5. Where other defects in title occur, Article VII shall apply mutatis mutandis.
6. Any other claims of the Purchaser against the Supplier or its agents or any such claims exceeding the claims provided for in this Article VIII, based on a defect in title, are excluded.

#### **Article IX. Foreign trade law**

1. In case of delay with the fulfilment of the parties' obligations under any order confirmed by Supplier ("Contract") caused by licensing requirements, confirmation requirements or similar requirements or procedures of the applicable foreign trade law (especially national and international (re-)export control and/or customs regulations, including embargos) imposed by the European Union, Germany and other member states of the European Union, the United States of America, as well as the countries of production and/or supplier country of the Products ("Trade Law"), the time of performance for such obligations is extended accordingly.
2. Supplier and Purchaser may refuse to fulfil their obligations under a Contract, insofar as the fulfilment is prohibited or impaired by Trade Law. The reason for such refusal shall be communicated to the other party without undue delay. A lack or delay of such communication does not prevent Supplier and/or Purchaser to refuse to fulfil their obligations under a Contract.
3. Notwithstanding other information obligations stipulated in the Contract, each party shall support the other party to obtain all information and documents necessary to abide by the Trade Law or all information requested by authorities in that regard. Such obligation may especially include information on the end customer, the destination and the intended use of the Products.
4. If applicable Trade Law necessitates a license or a confirmation by authorities due to the parties' obligations under the Contract for an act by a party and such license/confirmation is (a) denied or (b) not issued by the competent authority within a period of 6 months after the agreed delivery date, each party may declare the avoidance of the Contract, insofar as the act requires a license/confirmation. Each party may declare the avoidance of the Contract insofar as the fulfilment of the obligation under the Contract infringes upon Trade Law for reasons other than those mentioned in the foregoing provisions of this paragraph 4. If only a part of the obligation is affected by reasons mentioned in this paragraph 4, each party may declare avoidance of the whole Contract if the respective party has no interest in part performance. The aforementioned provisions shall be without prejudice to the termination of the Contract for reasons other than those described herein above.
5. If Purchaser transfers Products (regardless of the processing status, unprocessed or processed and/or incorporated in Purchaser's products or systems), prototypes, services, software and/or pertaining technology/technical data delivered by Supplier, to third parties ("Transfer" or Transfers"), Purchaser shall comply with and warrants to abide by the Trade Law. Furthermore, before entering into a contractual obligation related to Transfers Purchaser warrants that it does not infringe upon Trade Law. Considering the likewise illegal indirect provision of economic resources due to embargo regulations (as part of the Trade Law), Purchaser shall only engage in Transfers if - hypothetically - such embargo regulation did not hinder Supplier to provide economic resources to the third party in Purchaser's stead. Prior to any Transfers to third parties Purchaser shall in particular check and guarantee by appropriate measures that
  - There will be no infringement of embargo regulations (as part of the Trade Law defined above) by any Transfer or by provision of other economic resources in connection with those Products or Transfer, also considering the limitations of domestic business and prohibitions of by-passing those embargos;
  - Such Transfers are not intended for use in connection with armaments, weapons or missiles capable of delivering weapons and/or nuclear technology;
  - The regulations of all applicable Sanctioned Party Lists of the European Union, the United States of America and of any other countries concerning the trading with entities, persons and organizations listed therein are considered.Upon request of Supplier, Purchaser is obligated to provide all information to Supplier regarding the final end-user, final destination and intended end-use of the Products and/or technical support/services, and to forward the above information to Supplier prior to the delivery, selling or making the Products and/or Purchaser's goods usable or available. Purchaser hereby confirms that it is not a natural or legal person, entity or body with which the conduct of any business or transaction is restricted or prohibited by Trade Law (a "Sanctioned Person"), nor is owned or controlled by such a natural or legal person, entity or body. Purchaser warrants that it will immediately inform the Supplier if it becomes a Sanctioned Person or becomes owned or controlled by a Sanctioned Person. Purchaser shall indemnify and hold harmless Supplier and its affiliated companies from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any non-compliance with Trade Law by Purchaser as set forth herein, and Purchaser shall compensate Supplier for all damages, losses and expenses resulting thereof.
6. The provisions of this Article IX shall apply mutatis mutandis to other foreign trade law that is (in accordance with this law) applicable to the Contract. In particular, Supplier and Purchaser may refuse to fulfil their obligations under a Contract, insofar as the fulfilment is prohibited or impaired by other foreign trade law that is (in accordance with this law) applicable to the Contract.
7. Unless otherwise explicitly agreed in Article IX.5. above, claims for damages by the respective other party based on delays, prohibitions or impairments and/or avoidance of Contract as set forth above and/or arising out of or in connection with the provisions of this Article IX are excluded.
8. Purchaser shall not sell, export or re-export, directly or indirectly, to the Russian Federation and/or Belarus or for use in the Russian Federation and/or Belarus any Products supplied under or in connection with these DELIVERY CONDITIONS and/or any order confirmed by Supplier (Contract) that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 and/or Article 8g of Council Regulation (EC) 765/2006 (in each case, as amended from time to time). Purchaser shall undertake its best efforts to ensure that the purpose of Article IX.8. sentence 1 above is not frustrated by any third parties further down the commercial chain, including by possible resellers. Purchaser shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of Article IX.8. sentence 1 above. Any violation of the Trade Law by Purchaser, in particular, any violation of the provisions of this Article IX.8, shall

constitute a material breach of an essential element of these DELIVERY CONDITIONS, and Supplier shall be entitled to seek appropriate remedies, including, but not limited to: - termination of any supply agreements, including but not limited to Contracts; and - claims for damages.

Supplier shall inform Purchaser without undue delay about the reasons behind the chosen remedies. Purchaser shall immediately inform the Supplier about any problems in applying Article IX.8. sentences 1, 2 and 3 above, including any relevant activities by third parties that could frustrate the purpose of Article IX.8. sentence 1 above. Purchaser shall make available to Supplier information concerning compliance with the obligations under Article IX.8. sentences 1, 2 and 3 above within two weeks of the simple request of such information.

9. In connection with Purchaser's purchase of Products, Purchaser may potentially receive certain intellectual property rights, trade secrets and/or other information that fall under the scope of Article 12ga of Council Regulation (EU) No 833/2014 as amended from time to time ("Intellectual Property Rights and/or Trade Secrets"). Intellectual Property Rights and/or Trade Secrets may include for instance technical information relating to Supplier's Products. Purchaser shall not, directly or indirectly, use, distribute, disclose, (sub-)license, or in any way disseminate Intellectual Property Rights and/or Trade Secrets to any third party in the Russian Federation. Also, Purchaser shall not, directly or indirectly, use, distribute, disclose, (sub-)license, or in any way disseminate Intellectual Property Rights and/or Trade Secrets in connection with the direct or indirect sale, supply, transfer, export or re-export of items relevant under Article 12ga of Council Regulation (EU) No 833/2014 to the Russian Federation or for use in the Russian Federation. Purchaser is required to include a clause in contracts with sublicensees of Intellectual Property Rights and/or Trade Secrets that is materially identical to the preceding sentence. In all instances, prior to the use, distribution, disclosure, (sub)licensing or dissemination of Intellectual Property Rights and/or Trade Secrets, Purchaser must obtain the express permission of Supplier. The provisions of Article IX.8. sentence 2 to and including sentence 6 shall apply mutatis mutandis to the provisions of this Article IX.9. herein above.
10. Purchaser and Supplier agree that the provisions of Article IX.8. above shall apply mutatis mutandis to the extent that Supplier will be required by future provisions of EU sanctions regulations to contractually prohibit Purchaser from selling, exporting or re-exporting Supplier's Products to any country other than the Russian Federation and/or Belarus or for use in any country other than the Russian Federation and/or Belarus. Purchaser and Supplier further agree that the provisions of Article IX.9. above shall apply mutatis mutandis to the extent that Supplier is required by future provisions of EU sanctions regulations to contractually prohibit Purchaser from using, distributing, disclosing, (sub-)licensing or disseminating Intellectual Property Rights and/or Trade Secrets to any third party in any country other than the Russian Federation, in particular, in connection with Purchaser's sale, supply, transfer, export or re-export of certain items to any country other than the Russian Federation or for use in any country other than the Russian Federation.

#### **Article X: Impossibility of Performance; Adaption of Contract**

1. To the extent that delivery is impossible, the Purchaser is entitled to claim damages, unless the Supplier is not responsible for the impossibility. The Purchaser's claim for damages is, however, limited to an amount of 10 % of the value of the part of the Products which, owing to the impossibility, cannot be put to the intended use. This limitation shall not apply in the case of liability based on intent, gross negligence or loss of life, bodily injury or damage to health; this does not imply a change in the burden of proof to the detriment of the Purchaser. The Purchaser's right to rescind the contract shall be unaffected.
2. Where events within the meaning of Article IV No. 2 (a) to (c) substantially change the economic importance or the contents of the Products or considerably affect the Supplier's business, the contract shall be adapted taking into account the principles of reasonableness and good faith. To the extent this is not justifiable for economic reasons the Supplier shall have the right to rescind the contract. The same applies if required export permits are not granted or cannot be used. If the Supplier intends to exercise its right to rescind the contract, it shall notify the Purchaser thereof without undue delay after having realized the repercussions of the event; this shall also apply even where an extension of the delivery period has previously been agreed with the Purchaser.

#### **Article XI: Other claims for Damages**

1. Unless otherwise provided for in the present DELIVERY CONDITIONS, the Purchaser has no claim for damages based on whatever legal reason, including infringement of duties arising in connection with the contract or tort.
2. This does not apply if liability is based on: (a) the German Product Liability Act ("Produkthaftungsgesetz"), (b) intent; (c) gross negligence on the part of the owners, legal representatives or executives; (d) fraud; (e) failure to comply with guarantee granted; (f) negligent injury to life, limb or health; or (g) negligent breach of a fundamental condition of contract ("wesentliche Vertragspflichten").
- However, claims for damages arising from a breach of a fundamental condition of contract shall be limited to the foreseeable damage which is intrinsic to the contract, provided that no other of the above case applies.
3. The above provision does not imply a change in the burden of proof to the detriment of the Purchaser.

#### **Article XII: IATF 16949**

Supplier's manufacturing sites serving automotive business apply the IATF 16949 standard. The IATF certifications confirm Supplier's compliance with requirements regarding the quality management system in the automotive industry according to IATF 16949. Even if IATF 16949 may appear to support the acceptance of unilateral customer requirements and customer specific requirements, Supplier hereby emphasizes that only such requirements mutually agreed upon in writing shall be implemented in Supplier's Quality Management System and shall apply.

#### **Article XIII: Purchaser's ABAC compliance certification**

Purchaser will comply with the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act and other anti-corruption laws applicable to Purchaser and/or Supplier. Purchaser further certifies that it:

1. Has not offered, caused to be offered, any money or thing of value to any foreign government or private sector individual in exchange for any business advantage to Purchaser and/or Supplier.
2. Has not offered, caused to be offered, any money or other thing of value to any person, while knowing or having reason to know that such person has offered or caused to be offered any money or other thing of value to a foreign government official or private sector individual in exchange for any business advantage.
3. Does not know or have reason to believe that any Purchaser employee, consultant, sub-agent, or representative has violated, or caused Supplier to violate, the FCPA, the U.K. Bribery Act, or other applicable anti-corruption laws.
4. Will abide by the FCPA, the U.K. Bribery Act and other applicable anti-corruption laws in connection with the assembly, use, and/or sale of Supplier Products.
5. Shall immediately notify Supplier should it learn of, or have reason to know of, any violations of the FCPA, the U.K. Bribery Act, other applicable anti-corruption laws in connection with the assembly, use, and/or sale of Supplier Products.

#### **Article XIV: Venue and Applicable Law**

1. If the Purchaser is a businessman, sole venue for all disputes arising directly or indirectly out of the contract shall be the Supplier's place of business. However, the Supplier may also bring an action at the Purchaser's place of business.
2. This contract and its interpretation shall be governed by German law to the exclusion of the United Nations Convention on contracts for the International Sale of Goods (CISG).

#### **Article XV: Severability Clause**

The legal invalidity of one or more provisions of these DELIVERY CONDITIONS in no way affects the validity of the remaining provisions. This shall not apply if it would be unreasonably onerous for one of the parties to be obligated to continue the contract.

Version 3 - August 2024