General Terms of Condition for Purchase (GTC)

of ARUSO-PLAST Ruoff GmbH

Applicable in business transactions with companies, legal entities under public law, and special funds under public law.

1. General

These GTC apply to this and all future orders. Any deviating terms and conditions of the supplier shall only apply insofar as they comply with these GTC or we expressly agree to them in writing. This also applies if the supplier's terms and conditions stipulate that their provisions take precedence. These GTC also apply if we accept deliveries of products and services from the supplier (hereinafter: subject matter of the contract) and/or pay for them in the knowledge that the supplier's terms and conditions conflict with or deviate from our terms and conditions of purchase.

2. Conclusion and amendment of contracts

2.1 Orders, contracts, and delivery schedules, as well as any amendments and additions thereto, must be made in writing. Orders also referred to as delivery schedules may also be placed by data transfer or fax.

2.2 Verbal agreements require written confirmation from Purchasing. Amendments, supplements, and ancillary agreements, as well as any deviation from this written form clause, also require written confirmation from Purchasing.

2.3 Cost estimates are binding and not subject to remuneration, unless expressly agreed otherwise. Costs and expenses of any kind incurred by the supplier in connection with the preparation of the offer, in particular preparations, support, travel, will not be remunerated or reimbursed by us.

2.4 The order amount must be confirmed in writing without delay. Orders, also known as delivery schedules, become binding if the supplier does not object within five working days of receipt. We may revoke the order if the order confirmation is not received by us within two weeks of receipt. If this deviates from the order, we are only bound if we agree to the deviation in writing. Acceptance of deliveries or services or payment does not constitute consent. For orders of materials for which a DIN safety data sheet exists, the supplier shall forward this to us without being asked.

2.5 We may also request changes to the contract after it has been concluded, provided that these are reasonable for the supplier. In the event of a change to the contract, the effects on both parties, in particular with regard to additional and reduced costs and delivery dates, must be taken into account appropriately.

2.6 The supplier is not entitled to transfer the order in whole or in substantial parts to third parties without our prior written consent. If we give our consent, the supplier shall remain responsible for the performance of the contract.

2.7 We are entitled to transfer rights under this contract to third parties.

2.8 The quality assurance agreements are an integral part of the GTC.

3. Delivery

3.1 Deviations from our contracts and orders are only permissible with our prior written consent. Partial deliveries are generally not permitted, unless we have expressly agreed to them or they are reasonable for us. Any additional costs incurred shall be borne by the supplier. We reserve the right to accept excess or short deliveries.

3.2 Agreed dates and deadlines are binding. The decisive factor for compliance with the delivery date or delivery period is the receipt of the goods by us. If delivery is not agreed to be “free works” (DDU or DDP in accordance with Incoterms 2010), the supplier must make the goods available in good time, taking into account the time to be agreed with the carrier for loading and shipping. The supplier must ensure compliance with all legal requirements, in particular with regard to labeling.

3.3 If the supplier has undertaken the installation or assembly and unless otherwise agreed, the supplier shall bear all necessary ancillary costs, such as travel expenses, provision of tools, and daily allowances, subject to any deviating provisions.

3.4 If agreed deadlines are not met, the following shall apply:

- The supplier must immediately notify us in writing of any possible postponements.
- If an early delivery is accepted, the due date shall be based on the agreed delivery date.
- In the event of a defective delivery, we shall be entitled to withhold payment in proportion to the value until
- proper performance.

Our claims for compensation for damage caused by delay are based on the statutory provisions. Acceptance of a delayed delivery by us does not constitute a waiver of claims for compensation; this applies until full payment of the remuneration owed by us for the affected delivery or service.

3.5 The supplier shall give at least 6 months' advance notice of any changes regarding lead times, material availability, materials, and production facilities.

3.6 Unless otherwise proven, the values determined by us during the incoming goods inspection shall be decisive for quantities, weights, and dimensions.

3.7 Upon payment, all delivered goods shall become our property. The supplier guarantees that there is no conflicting retention of title or other third-party rights to the goods.

3.8 We shall have the right to use the software included in the product scope, including its documentation, to the extent permitted by law (Sections 69a et seq. of the German Copyright Act (UrhG)), the right to use it with the agreed performance characteristics and to the extent necessary for the contractual use of the product. We may also make a backup copy without express agreement.

3.9 Force majeure, strikes, or other circumstances beyond the supplier's control that make it impossible for the supplier to fulfill the contract in whole or in part within the agreed delivery period entitle us to withdraw from the contract in whole or in part or to postpone its execution without the supplier being entitled to any claims against us.

4. Prices/Payment

4.1 The prices stated in the order/delivery schedule are fixed prices and include all ancillary costs for insurance, packaging, loading, wedging, and securing on the means of transport, transport, customs clearance, unloading, handling at the agreed delivery address, etc. Statutory sales tax must be shown separately on the invoice. The invoice must be sent in a single copy, stating the invoice number and other identification details, to the address printed on it; it must not be enclosed with the shipments.

4.2 Any additional costs resulting from changes in execution must be communicated to us immediately and require written approval prior to delivery of the goods or execution of the order. Price increases are only possible if our written approval is obtained at least 10 days before they take effect.

4.3 Unless otherwise agreed, prices are ex works, duty paid (DDP according to Incoterms 2010), including packaging. Sales tax is not included. The supplier bears the risk of loss until the goods are accepted by us or our agent at the location to which the goods are to be delivered in accordance with the order.

4.4 Unless otherwise agreed, invoice shall be paid either within 20 days with a 3% discount or within 30 days without discount from the due date of the payment claim and receipt of both the invoice and the goods or performance of the service. Payment shall be made subject to invoice verification.

4.5 Payment does not constitute acceptance of the delivery or service as being in accordance with the contract.

4.6 We are entitled to set-off and retention rights to the extent permitted by law and also in the case of or against claims by companies affiliated with us. The supplier is only entitled to a right to refuse performance, a right of retention, and a right of set-off if its counterclaims have been legally established, are undisputed, or have been recognized by us.

4.7 The supplier is not entitled to assign its claims against us or have them collected by third parties without our prior written consent, which may not be unreasonably withheld. If there is in the event of an extended retention of title, consent shall be deemed to have been given. If the supplier assigns its claim against the customer to a third party without our consent, contrary to sentence 1, the assignment shall nevertheless be effective. However, we may, at our discretion, make payment to the supplier or the third party with discharging effect.

5. Quality and documentation

5.1 The supplier guarantees that its deliveries comply with the recognized rules of technology, safety regulations, and the agreed technical data. Changes to the delivery item require the prior written consent of the purchaser. For the initial sample inspection, reference is made to the VDA document "Quality Assurance of Deliveries – Supplier Selection / Production Process and Product Approval / Quality Performance in Series Production" (4th edition, 2004). Irrespective of this, the supplier must continuously check the quality of the delivered items. The contracting parties shall inform each other of the possibilities for quality improvement.

5.2 If the type and scope of the tests as well as the test equipment and methods have not been firmly agreed between the supplier and us, we are prepared, at the supplier's request and within the scope of our knowledge, experience, and capabilities, to discuss the tests with the supplier in order to determine the required state of the art in testing technology. In addition, we will inform the supplier of the relevant safety regulations upon request.
5.3 In the case of motor vehicle parts that are specifically marked, for example with "D," in the technical documentation or by separate agreement, the supplier must also record in special records when, how, and by whom the delivery items have been tested with regard to the characteristics subject to documentation and what results the required quality tests have yielded. The test documents must be kept for ten years and the test documents must be kept for ten years and submitted to us if required. The supplier must impose the same obligations on upstream suppliers within the scope of the law. For guidance, reference is made to the VDA document "Verification – Guidelines for the Documentation and Archiving of Quality Requirements," Frankfurt am Main 1998.
5.4 Insofar as authorities responsible for motor vehicle safety, emission regulations, or similar require access to our production process and the test documents for the purpose of verifying certain requirements, the supplier agrees, at our request, to grant them the same rights at its premises and to provide all reasonable support in this regard.
5.5 The materials supplied by our suppliers must comply with legal requirements, in particular compliance with **EU Directives 2002/95 EC** and **2005/618 EC (RoHs)**, which specify limit values for heavy metals and brominated flame retardants, must be ensured. Furthermore, the obligations resulting from Regulation **(EC) No. 1907/2006 (REACH Regulation)** must be complied with. This applies in particular to the obligation to provide information that arises as soon as the limit values for substances on the current candidate list of the European Chemicals Agency (ECHA) are exceeded. Furthermore, compliance with the limit values for PAHs (polycyclic aromatic hydrocarbons) required for the GS mark must be ensured in accordance with ZEK 01.2-8. The supplier confirms compliance with mandatory legal requirements, e.g., phthalate-free rubber and plastic parts (in accordance with EU Directives 2007/19 EC and 2005/84 EC), food safety, etc., and provides appropriate evidence of this. If the order concerns individual parts and materials that are used in the automotive sector, the supplier shall arrange for the necessary entry in the IMDS database. The ARUSO-PLAST company ID is 23503.

6. Claims for defects and recourse
6.1 The supplier guarantees that its performance is free of material defects and legal defects and, in particular, complies with the relevant environmental protection regulations and standards as well as the latest state of the art.
6.2 Acceptance is subject to inspection for defects, in particular for correctness, completeness, and suitability. We are entitled to inspect the subject matter of the contract, insofar and as soon as this is feasible in the ordinary course of business; we will report any defects discovered immediately after discovery. In this respect, the supplier waives the objection of delayed notification of defects.
6.3 If we incur costs as a result of the defective delivery of the contractual item, in particular transport, travel, labor, material costs, or costs for an incoming inspection exceeding the usual scope, the supplier shall bear these costs. The statutory provisions on material defects and defects of title shall apply unless otherwise specified below.
6.4 Defects in the delivered goods, including the documentation, shall be rectified by the supplier after notification. This shall be done at our discretion by means of free repair or replacement delivery to the place of performance or delivery. The supplier shall bear the costs and risk of returning defective goods.
6.5 If the supplier does not remedy the defects within a reasonable period of time set by us, we shall be entitled to withdraw from the contract in whole or in part without compensation, to reduce the price and/or to claim damages. The same shall apply if the supplier declares itself unable to remedy the defect within a reasonable period of time or if (provisional) insolvency proceedings have been initiated against the supplier's assets. In urgent cases, in particular to avert acute dangers or prevent cases, in particular to avert acute dangers or prevent major damage, we shall be entitled, after the expiry of a reasonable period of time, to remedy the defect ourselves at the expense of the supplier or to have it remedied by a third party.
6.6 Our claims shall become time-barred within 36 months of complete delivery of the goods.
6.7 During an attempt by the supplier to remedy the defect, the limitation period shall be suspended. This shall not apply in the case of acts of goodwill on the part of the supplier or completely insignificant defects. In the case of subsequent delivery, the limitation period shall commence anew upon delivery of the new goods. Further claims shall remain unaffected.
6.8 In the event of claims by third parties due to infringement of domestic or foreign industrial property rights of third parties through deliveries, the supplier hereby indemnifies us, provided that he is responsible for the legal defect. In this case, he shall compensate us for the damage, including any recourse claims of the customers.
6.9 In the event of imminent or actual insolvency on the part of the supplier, we shall be entitled to retain a reasonable security deposit for the duration of the relevant defect rectification periods.
6.10 If claims are made against us in connection with the deliveries or on the basis of product liability law, the supplier hereby indemnifies us to the extent that it would be directly liable.
6.11 The supplier shall bear all costs associated with a recall action for which it is responsible (in particular selection costs). It must maintain sufficient liability insurance coverage. The supplier shall insure itself against all risks arising from product liability, including the risk of recall, to an appropriate amount. Upon request, the supplier shall provide corresponding proof of insurance.
6.12 The supplier's personnel shall be subject to our work regulations while working in our facilities. The supplier shall observe our control regulations and shall be solely responsible for its personnel. It shall be fully liable for this and shall bear all costs incurred by us as a result of non-compliance with these regulations.

7. Retention of title
7.1 We shall acquire immediate and unrestricted ownership of the goods delivered to us and the accompanying documents upon delivery. By delivering the goods, the supplier declares that it has full power of disposal and that no third-party rights exist. Otherwise, this must be expressly communicated.
7.2 All materials, parts, containers, and special packaging provided by us remain our property, with the proviso that we are considered the manufacturer and owner of the property rights and also have co-ownership of the item produced by processing of these materials. The same applies if our materials are mixed with items that do not belong to us. If the supplier's item is to be regarded as the main item after mixing, the supplier transfers proportional co-ownership to us. The supplier shall store our sole or co ownership free of charge for us. supplier shall transfer proportional co ownership to us. The supplier shall store our sole or co-ownership free of charge on our behalf.
7.3 The materials shall be stored and managed separately for us with special labeling and insured against fire, water damage, and theft, for example. Their use is only permitted for the commissioned order execution. In the event of depreciation or loss, the supplier shall provide compensation.
7.4 Pallets and means of transport remain our property and must be returned upon request. If they are not returned, we reserve the right to assert claims for damages.

8. Documents and confidentiality
8.1 Orders and technical and commercial documents, sketches, data, software, samples, tools, construction plans, software produced according to our specifications (including source code) and other information received from us must be kept strictly confidential. They are subject to our sole ownership and copyright. They may only be made available to third parties with our express written consent. They may only be made available to third parties with our express written consent. Third parties must be informed in writing of the ownership and copyrights and must be obliged to maintain confidentiality.
8.2 All documents provided are to be used exclusively for the production of the order. The supplier is only permitted to make copies of the documents provided documents or store information without prior written consent. After completion of the order, all documents, including copies, must be returned to us unsolicited and stored data must be deleted.
8.3 Reference may not be made to the existing business relationship with us, in particular for advertising purposes, without our prior written consent.
8.4 In the event of a culpable violation of the aforementioned points, a contractual penalty of €10,000 (ten thousand euros) shall be paid for each individual case. The right to assert further damages and other claims to which we are entitled, in particular claims for injunctive relief, remains reserved.

9. General provisions
9.1 Should any provision of these terms and conditions and any further agreements made be or become invalid, void, or incomplete, this shall not affect the validity of the remaining provisions. The contracting parties shall replace the invalid or void provision with a provision that comes closest to the economic purpose pursued by the parties, or shall fill the contractual gap with a provision that comes closest to the economic purpose pursued by the parties. The contracting parties shall replace the invalid or void provision with a provision that comes closest to achieving the economic purpose pursued by them, or fill the contractual gap with a provision that comes closest to achieving the economic purpose pursued by them.
9.2 The place of performance is Schwäbisch Hall. German law shall apply, excluding conflict of law's provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG). The exclusive place of jurisdiction is Stuttgart. We shall be entitled to sue the supplier at the court of its registered office or branch office or at the court of the place of performance, at our discretion.