

General terms and conditions of purchase

of HELLA Werkzeug Technologiezentrum GmbH, Beckumer Straße 130, 59555 Lippstadt, hereinafter referred to as "HELLA"

1. Terms of delivery

1.1 All HELLA orders shall be processed exclusively according to these terms of purchase, unless explicitly agreed otherwise in specific cases. Sales conditions issued by the supplier with deviating contents shall not become the basis of the contract, even if HELLA does not explicitly reject them in individual cases. Any amendments and / or supplements as well as other supplementary agreements must be made in writing.

1.2 The details of the goods or services are subject to the specifications, drawings, descriptions and other documents agreed by HELLA and the supplier. The supplier shall provide its products and services subject to application of a quality management system which meets the requirements of EN ISO 9000 ff and will continuously develop this system to reflect the state of the art. Moreover, the "HELLA quality assurance guidelines for suppliers" in their current version, of which the supplier has been informed, shall apply.

2. Order

2.1 Deliveries shall be made based on written individual orders or ongoing delivery schedules submitted by HELLA. The details of the process of delivery scheduling are defined in the "HELLA delivery specification for order processing", which is part of the agreement with the supplier.

2.2 Individual orders shall be confirmed by the supplier immediately on receipt. Delivery schedules require no confirmation by the supplier. Individual deliveries within the binding acceptance period of the delivery schedule which is defined separately are regarded as accepted, unless the supplier objects in writing immediately after receipt of the current delivery schedule.

2.3 HELLA may demand construction and design changes in the contract objects provided that these are reasonable for the supplier. Any effects, especially with regard to additional or reduced cost and delivery dates, require a reasonable mutual agreement.

3. Provided materials

3.1 Materials and devices provided by HELLA for the supplier's products and services shall remain the property of HELLA. The supplier is obligated to treat these materials and equipment with due care and attention and to store them properly and to insure them against fire, water and storm loss at the replacement value.

3.2 Prior to the start of production, the supplier must inspect the provided material for visible defects and verify its identity. During production, the supplier shall perform additional inspections, if agreed upon separately with HELLA or required by the supplier's quality management system. If the supplier detects quality defects on the materials or devices provided by HELLA, the supplier shall inform HELLA immediately to coordinate subsequent measures.

3.3 Materials provided by HELLA must be processed for HELLA without exception. If the value of the materials provided by HELLA exceeds the value of the processing and, if applicable, the remaining components of the newly created articles, the newly created articles shall be the property of HELLA, otherwise HELLA shall be a co-owner with the supplier in the ratio of the value of the provided material to the value of the processing and remaining components.

3.4 There is no right to contractor's lien by the supplier according to § 647 BGB.

4. Deadlines, default in delivery

4.1 Agreed delivery dates are binding and refer to receipt of the goods at the drop-off location named in the order, unless otherwise agreed.

4.2 The supplier shall immediately notify HELLA of delays in delivery as soon as these are foreseeable.

4.3 Non-adherence to agreed delivery dates makes the supplier liable to compensate HELLA for the damage caused by delay, provided the supplier is at fault for the delay.

4.4 If the supplier has failed to deliver within an additional period set by HELLA, HELLA shall be entitled to receive compensation for non-performance or cancel the order in question. If the supplier is repeatedly in default of delivery, HELLA shall be entitled, after serving the supplier a written warning to no avail, to cancel with immediate effect any purchase orders which at that point in time have not yet been delivered.

5. Transport, packaging, transfer of risk

5.1 Delivery is ex works incl. all additional costs and customs. Any disposal costs for the packaging shall be borne by the supplier.

5.2 In all cases, transfer of risk shall take place after delivery of the goods at the agreed drop-off location. This also applies if HELLA bears the freight costs due to special agreements. Provided that HELLA bears the transport costs, the HELLA shipping guidelines must be observed.

5.3 Every delivery is to be accompanied by a delivery note in duplicate at the indicated location.

6. Payments and payment terms

6.1 The individually agreed payment terms apply.

6.2 The weights and/or quantities recorded on unloading are decisive for the evaluation of and payment for deliveries. If a delivery is faulty, HELLA is entitled to retain the payment pro rata until the order has been fulfilled correctly. Payment for designs, drawings and samples shall only be made, if a written agreement to that effect was entered into beforehand.

6.3 Without advance written agreement by HELLA, which must not be refused without good cause, the supplier is not entitled to assign its debts with HELLA to a third party nor allow them to be collected by a third party. If extended reservation of title applies, this agreement shall be regarded as granted. If the supplier assigns its debts with HELLA to a third party in contravention of clause 1, without HELLA's agreement, the assignment shall take effect nonetheless. HELLA can however choose to discharge the obligation to the supplier or to the third party.

7. Force majeure

Industrial disputes, riots, official actions and other unforeseeable, unpreventable and serious events release the contract parties from their obligations under the agreement for the duration of the disruption and to the extent of the disruption's effects. Should the disruption last for over 1 month, the parties shall adapt their mutual obligations in good faith to the changed circumstances.

8. Passing on information and items

8.1 The supplier shall treat any information that is not public and which is provided to the supplier in the context of HELLA orders, in particular drawings, templates, models, tools, documents, software and other data media submitted to the supplier by HELLA, with the utmost confidentiality and shall refrain from disclosing this information to third parties, provided that such action is not absolutely necessary for performance of the contractual obligations. Any persons employed by the supplier or the supplier's sub-suppliers for performance of the contractual obligations must be obligated to maintain confidentiality accordingly.

8.2 The supplier shall only be allowed to advertise its business relationship with HELLA after prior written approval by HELLA.

8.3 Contract objects produced according to the information, drawings or models provided by HELLA or made with tools partially or fully paid for by HELLA, may not be offered, provided as samples nor supplied to third parties, unless HELLA has given their explicit prior written authorization.

9. Securing of supply

9.1 The supplier shall inform HELLA as early as possible, if possible at least 1 year prior to the change, of any intended technical changes of goods approved for delivery. The delivery of contract objects subject to changes always requires the prior explicit written authorization of HELLA, for instance in the context of a repeated initial sample approval. If the contract objects are produced according to HELLA specifications, this also applies to the change itself.

9.2 The provisions in sections 9.1 apply accordingly to changes to supply sources of preliminary materials and components and to changes in the production location or significant changes in the manufacturing processes of the supplier.

9.3 If the contract objects are goods especially developed for HELLA, particularly if HELLA shared directly or indirectly in the cost of development and/or production equipment, the supplier undertakes to provide HELLA with the contract objects to the required extent, and to accept orders by HELLA as long as HELLA requires the contract objects. HELLA shall inform the supplier of the expected delivery volume based on current customer demand projections with sufficient time to spare. However, without prejudice to section

2.2, the supplier is not entitled to purchase of certain quantities, unless explicitly agreed otherwise.

9.4 To ensure spare part production at HELLA the supplier undertakes to guarantee delivery of the contract objects required for this purpose for a minimum of 15 years after the end of serial production of the HELLA products in which the respective contract objects are installed. Should the supplier detect within this period that delivery of the contract objects will no longer be possible, the supplier shall immediately notify HELLA of the end of the supply option. Provided that the supplier cannot offer any other acceptable options, the supplier shall grant HELLA the option to purchase the required volume of spare parts.

10. Notice of Defects

10.1 HELLA shall report defects in delivery to the supplier immediately in writing as soon as they have been determined according to a proper course of business. In this respect, the supplier waives its objection of belated notice of defect.

10.2 With regard to the required quality assurance measures, any specifications included in special agreements between the parties, e.g. quality agreements, ship-to-stock agreements, must be taken into account.

11. Warranty

11.1 The supplier shall ensure that the contract objects are free of any defects and that the agreed specifications and the generally accepted technological standards have been complied with.

11.2 If the delivered goods are defective, HELLA is entitled to demand supplementary performance through additional delivery or remedy of defects as previously agreed with the supplier. Should the defective performance result in increased costs for HELLA in meeting its own delivery deadlines, these costs shall be borne by the supplier.

11.3 If the same goods are repeatedly delivered with defects or the supplementary performance is unsuccessful, HELLA is entitled to immediately withdraw from the order, including for any items not yet delivered at this point, provided it has sent a written warning regarding the faulty delivery/faulty supplementary performance.

11.4 HELLA is entitled to remove defective contract objects from the supply and return them to the supplier or scrap them, both at the supplier's expense, after prior agreement with the supplier.

11.5 If the supplier does not immediately comply or cannot comply with HELLA's demand for remedy or additional delivery, HELLA may withdraw from the order and may return goods to the supplier at the supplier's risk and cost.

11.6 In urgent cases, HELLA is entitled to rectify the defects in the contract objects by itself, have the defects rectified by third parties, or procure defect-free products from third parties, in order to meet its own supply obligations. If possible, HELLA shall first inform the supplier, if the supplier can be contacted. The supplier shall bear the necessary costs for the above.

11.7 If a defect is not discovered until the contract objects have been processed, despite compliance with the provisions of section 10 of this agreement, the supplier is obligated to bear all costs arising from the replacement or rectification of the faulty products, including, but not limited to, testing, transport, travel, labour and material costs. This includes the cost of a required replacement or repair of products in which HELLA has installed defective contract objects, as well as the costs of handling and warranty processing (additional material costs).

11.8 If a serial fault makes it necessary to replace an entire series of contract objects or HELLA products in which the contract objects have been installed, for instance because fault analysis for each individual case is not economically efficient, impossible or not reasonable, the supplier shall compensate HELLA for the above-mentioned cost, including for those parts of the series which are not faulty.

11.9 If the parties have made separate agreements regarding warranty processing and invoicing, in particular in the event of complaints by HELLA customers, these provisions shall take precedence over this agreement.

11.10 Unless the parties have explicitly stipulated otherwise in writing, HELLA's claims shall be subject to a statute of limitations after a period of 48 months after delivery of the contract objects to HELLA. Claims based on defects occurring within this warranty period including claims for compensation for secondary damage, shall expire at the earliest 18 months after HELLA has learned that the defect exists, provided that no longer period is required by law. The statute of limitation shall be interrupted if a notice of defects is submitted.

11.11 Unless otherwise provided for in the preceding provisions, the warranty in all other situations shall be governed by the applicable statutory regulations.

12. Liability

12.1 Should HELLA or a third party suffer damages due to a fault in a contract object or faulty performance of services or any other violation of the contract provisions by the supplier, the supplier shall pay the damages arising from this situation to the legally mandated extent.

12.2 The supplier shall be liable for any measures taken by HELLA or HELLA's customers for damage prevention (e.g. recall measures), provided that a legal liability obligation for the supplier exists.

12.3 The supplier undertakes to take out a product liability insurance with a coverage of € 5,000,000 (in words: five million euros), as is reasonable for the risks involved in the automotive industry, covering material damage and personal injury as well as the cost of recalls and to maintain this insurance for at least 15 years after delivery/service. If demanded by HELLA, the supplier shall submit suitable proof of the type and extent of the insurance coverage as well as the name of the liability insurance provider to HELLA.

13. Industrial property rights

13.1 The supplier is liable for ensuring that its delivery does not violate any industrial property rights or copyrights of third parties. The supplier shall indemnify HELLA and its customers from any claims arising from the use of such industrial property rights.

13.2 The liability does not apply, if the supplier has produced the contract objects based on obligatory specifications submitted by HELLA.

13.3 Provided HELLA has contributed to the cost of development of the contract objects, HELLA shall, without prejudice to other rights based on separate agreements with the supplier, be granted unrestricted, non-exclusive usage rights without time or space limits free of charge for any purpose, including sub-licensing, to the inventions used in the contract objects or the copyright thereof. If creation of the software is part of the services performed by the supplier and paid for by HELLA, the supplier shall provide the source code, including the software documentation, to HELLA on request.

14. Tools

Should the supplier produce the contract objects using tools, devices, machines or other production equipment for which HELLA bears the full or partial cost, HELLA shall acquire ownership or co-ownership according to the percentage of the cost borne by HELLA of these items no later than at payment of the agreed cost. Should the production equipment remain with the supplier, the supplier is obligated to store these free of charge for HELLA with the diligence the supplier would apply in its own affairs. Furthermore, any potential separate agreements (HELLA tool agreements) between the parties on this matter apply.

15. General Provisions

15.1 If a contract party stops making payments or if an application to commence insolvency proceedings or settlement proceedings is made regarding their assets, the other party is entitled to withdraw from orders not yet fulfilled at this point in time.

15.2 The data required for order processing and invoice verification shall be saved in electronic files by HELLA.

15.3 Where written form is stipulated in these provisions for notifications or statements made by the contract parties, fax transmission shall be deemed to satisfy the requirement.

15.4 Should any of these provisions be or become invalid, this shall not affect the validity of the remaining provisions. The contract parties undertake to replace the invalid provision with a valid provision coming as close as possible to the intended economic effect.

15.5 The place of performance is HELLA's registered office or the receiving location specified by HELLA.

15.6 This contract shall be governed exclusively by the law of the Federal Republic of Germany, with the exception of conflict rules.

15.7 The legal venue for all disputes arising out of or in connection with deliveries made according to these terms is the location of HELLA's registered office or, for legal actions by HELLA, any other competent court.