

1. Governing Conditions

First and foremost, the corporate values set out in our corporate ethics policy determine the basis of our actions. These are public and can be viewed on our website (www.dgs-mainz.com). The legal relationships between suppliers and customers are based on these principles and conditions (Code of Conduct) and possible further agreements.

2. Order

2.1 Delivery contracts (order and acceptance) and delivery call-offs as well as their amendments and supplements must be in writing. Delivery schedules can also be made by remote data transmission.

2.2 If the supplier does not accept the order within one week of receipt, the purchaser shall be entitled to cancel the order.

Delivery call-offs shall become binding at the latest if the supplier does not object within 2 weeks of receipt.

2.3 If there is a justified interest and within the scope of reasonableness for the Supplier, the Purchaser may request changes to the design and execution of the delivery item. In this context, the effects, in particular with regard to additional and reduced costs as well as delivery dates, shall be settled by mutual agreement in an appropriate manner.

3. Payment

3.1 Payment shall be made according to individual agreement. In case of acceptance of early deliveries, the due date shall be determined by the agreed delivery date.

3.2 In the event of defective delivery, the Purchaser shall be entitled to withhold payment in proportion to the value until proper performance.

3.3 The Supplier shall not be entitled to assign its claims against the Purchaser or to have them collected by third parties without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld. In the event of extended retention of title, the consent shall be deemed granted.

4. Notice of Defects

The Purchaser shall notify the Supplier in writing without delay of any defects in the delivery as soon as they are discovered in the ordinary course of business. In this respect, the supplier waives the objection of delayed notification of defects.

5. Secrecy

5.1 The contracting parties undertake to treat as business secrets all commercial and technical details which are not in the public domain and which become known to them through the business relationship.

5.2 Drawings, models, templates, samples and similar items may not be handed over or otherwise made accessible to unauthorized third parties, may only be used for the purposes of the respective contract between the Supplier and the Purchaser and may not be used for any other purposes of the Supplier. The reproduction of such items is only permitted within the scope of operational requirements and copyright provisions.

5.3 Sub-suppliers shall be obliged accordingly.

6. Delivery Dates and Deadlines

Agreed dates and deadlines are binding. The receipt of the goods by the Purchaser shall be decisive for compliance with the delivery date or delivery period. The supplier shall make the goods available in good time, taking into account the usual time for loading and dispatch.

7. Delay in Delivery

7.1 The Supplier shall be obliged to compensate the Purchaser for any damage caused by delay insofar as the Supplier is at fault.

7.2 In the event of slight negligence, the compensation shall be limited to additional freight costs, retrofitting costs and, after fruitless setting of a grace period or in the event of loss of interest in the delivery, to the additional expenses for covering purchases.

8. Force Majeure

Force Majeure, labor disputes, riots, official measures and other unforeseeable, unavoidable and serious events shall release the contractual partners from their performance obligations for the duration of the disruption and to the extent of its effect. This shall also apply if these events occur at a time when the affected contractual partner is in default. The contractual partners shall be obliged to provide the necessary information without delay within the scope of what is reasonable and to adapt their obligations to the changed circumstances in good faith.

9. Quality, Documentation and Environmental Protection

9.1 The Supplier shall comply with the recognized rules of technology, the safety regulations and the agreed technical data for its services. Modifications of the delivery item require the prior written consent of the Purchaser. The type and manner of cooperation in the quality sector, such as initial sampling and documentation, shall in principle be bindingly regulated and fixed in writing with the order.

9.2 The contracting parties shall inform each other about the possibilities of quality improvement. Furthermore, the Supplier shall receive information on relevant safety regulations from the Purchaser upon request.

9.3 In the case of parts specially marked in the technical documents or by separate agreement, the Supplier shall also keep special records stating when, in what manner and by whom the delivery items have been tested with regard to the features requiring documentation and what results the required quality tests have produced. The test documents shall be kept for 10 years and submitted to the Purchaser if required. The supplier shall oblige sub-suppliers to the same extent within the scope of the legal possibilities. As a guide, reference is made to the VDA publication „Proof of Defects - Guide to the documentation and archiving of quality claims“, Frankfurt am Main 1998.

9.4 Insofar as authorities responsible for vehicle safety, exhaust gas regulations or similar require insight into the production process and the test documents of the Purchaser in order to verify certain requirements, the Supplier agrees, at the request of the Purchaser, to grant them the same rights in its plant and to provide all reasonable support in this respect.

9.5 The Supplier shall comply with the applicable environmental protection regulations of the European Union, Germany and, upon special request, the environmental protection regulations of the USA for the exclusion of hazardous substances.

10. Liability for Defects

10.1 In the event of delivery of defective goods, the Purchaser may demand the following if the respective statutory requirements and the requirements set out below are met and unless otherwise agreed:

10.1.1 Prior to commencement of manufacture (processing or installation), the Purchaser shall first give the Supplier the opportunity to sort out the defective goods and to remedy the defect or to make a subsequent (replacement) delivery, unless this is unreasonable for the Purchaser. If the Supplier is unable to do so, the Purchaser shall be entitled to rescind the contract and return the goods at the Supplier's risk without setting a further deadline. In urgent cases, the Purchaser may, after consultation with the Supplier, remedy the defect itself or have it remedied by a third party. The Supplier shall bear any costs arising in this connection. If, due to particular urgency, neither a remedy of the defect by the Supplier nor an agreement with the Supplier is possible, the Purchaser shall also be entitled to remedy the defect itself at the Supplier's expense, provided that the latter cannot refuse subsequent performance due to disproportionate costs (§ 439 para. 3 BGB). If the same goods are repeatedly delivered defective, the Purchaser shall be entitled to rescind the contract after written warning in the event of a repeat defective delivery also for the unfulfilled scope of delivery.

10.1.2 If, despite compliance with the obligation under No. 4 (notification of defects), the defect is not discovered until after the start of production, the Purchaser may

a) demand subsequent performance and reimbursement of the transport costs (excluding towing costs) and dismantling and installation costs (labor costs; material costs if agreed) required for the purpose of subsequent performance in accordance with Section 439 (1), (3) and (4) of the German Civil Code (BGB) or

b) reduce the purchase price after fruitless expiry of the reasonable grace period - unless such grace period is dispensable by law.

10.1.3 In the event of a culpable breach of duty going beyond the delivery of defective goods (e.g. in the event of an obligation to provide information, advice or examination), the Purchaser may demand compensation for the consequential damage resulting from the defect as well as for the consequential damage reimbursed by the Purchaser to its customer pursuant to the law in accordance with No. 11. Consequential damage shall be the damage, suffered by the Purchaser as a result of the delivery of defective goods to legal assets other than the goods themselves

10.2 The parts to be replaced by the Supplier shall be made available to the Supplier by the Purchaser without delay and at the Purchaser's expense.

10.3 Claims based on liability for defects shall become statute-barred 24 months after the first registration of the vehicle or the installation of the spare parts, at the latest, however, 36 months after delivery to the Purchaser.

10.4 Claims for defects shall not arise if the defect is attributable to violation of operating, maintenance and installation instructions, unsuitable or improper use, incorrect or negligent handling and natural wear and tear as well as to tampering with the delivery item by the Purchaser or third parties.

10.5 In the event of defective deliveries, claims of the Purchaser under the Product Liability Act, tort and conduct of business without a mandate shall remain unaffected by the provisions here under No. 10. Guarantees of quality and durability must be expressly designated as such in detail in writing.

11. Liability

Unless a different liability provision has been agreed elsewhere in these Terms and Conditions, the Supplier shall only be obliged to compensate the Purchaser for damage incurred directly or indirectly as a result of a defective delivery, due to violations of official safety regulations or for any other legal reasons attributable to the Supplier as follows.

11.1 The obligation to pay damages shall in principle only apply if the Supplier is at fault for the damage caused by it, unless the law provides for strict liability.

11.2 If a claim is made against the Purchaser on the basis of strict liability in accordance with non-mandatory law vis-à-vis third parties, the Supplier shall be liable to the Purchaser to the extent that the Supplier would also be directly liable. The principles of § 254 BGB (German Civil Code) shall apply mutatis mutandis to the compensation of damages between the Purchaser and the Supplier. This shall also apply in the event of a direct claim against the Supplier.

11.3 The obligation to pay compensation shall be excluded if the Purchaser has effectively limited its liability towards its customer. In this context, the Purchaser shall endeavor to agree upon legally permissible limitations of liability, also in favor of the Supplier.

11.4 Claims of the Purchaser shall be excluded to the extent that the damage is attributable to violations of conditions, maintenance and installation instructions attributable to the Purchaser, unsuitable or improper use, faulty or negligent handling, natural wear and tear or faulty repair.

11.5 The Supplier shall be liable for measures taken by the Purchaser to prevent damage (e.g. recall action) insofar as the Supplier is legally obliged to do so.

11.6 The Purchaser shall inform and consult the Supplier immediately and comprehensively if it wishes to make a claim against the Supplier in accordance with the above provisions. He shall give the Supplier the opportunity to investigate the case of damage. The contracting parties shall agree on the measures to be taken, in particular in the case of settlement negotiations.

11.7 Sections 478, 479 of the German Civil Code (BGB) shall apply in the relationship between the Purchaser and the Supplier if the delivery item has been sold by the Purchaser or its customers to a consumer within the meaning of Section 13 of the German Civil Code (BGB).

12. Property Rights

12.1 The Supplier shall be liable for claims arising from the culpable infringement of industrial property rights and applications for industrial property rights (industrial property rights) when the delivery items are used in accordance with the contract, of which at least one from the family of industrial property rights is published either in the Supplier's home country, by the European Patent Office or in the Federal Republic of Germany, France, Great Britain, Austria or the USA.

12.2 The Supplier shall indemnify the Purchaser and the customer against all claims arising from the use of such industrial property rights.

12.3 This shall not apply if the Supplier has worked according to drawings, models or similar other descriptions or information provided by the

Purchaser and does not know or, in connection with the products developed by it, does not need to know that industrial property rights are thereby infringed.

12.4 To the extent that the Supplier is not liable pursuant to No. 12.3, the Purchaser shall indemnify the Supplier against all claims of third parties.

12.5 The contracting parties undertake to inform each other without delay of any risks of infringement and alleged cases of infringement which become known and to give each other the opportunity to counteract any such claims by mutual agreement.

12.6 Upon request of the Purchaser, the Supplier shall inform the Purchaser about the use of published and unpublished own and licensed industrial property rights and applications for industrial property rights on the delivery item.

13. Use of Production Equipment and Confidential Information of the Customer

Models, matrices, templates, samples, tools and other means of production, as well as confidential data, which are made available to the Supplier by the Purchaser or in the costs of which the Purchaser makes a significant contribution, may only be used for the performance of the respective contract with the Purchaser and only with the prior written consent of the Purchaser for the Supplier's own purposes and for deliveries to third parties.

14. Retention of Title

The supplier shall retain title to all goods delivered by him until payment has been made in full; in this respect, all deliveries shall be deemed to be one continuous delivery transaction. In the case of a current account, the retained title shall serve as security for its balance claim. If the goods are combined by the Purchaser with other items to form a single item and if the other item is to be regarded as the main item, the Purchaser shall be obliged to transfer co-ownership to the Supplier on a pro rata basis insofar as the main item belongs to it. If the Purchaser resells the delivered goods as intended, it hereby assigns to the Supplier the claims against its customers arising from the sale, including all ancillary rights, until all the Supplier's claims have been settled in full. If justified, the Purchaser shall be obliged, at the Supplier's request, to notify the third party purchasers of the assignment and to provide the Supplier with the information and documents required to assert its rights. The Supplier shall release the securities held by it to the extent that their value exceeds the claims to be secured by more than 20% in total.

15. General Provisions

15.1 When determining the amount of the claims for compensation to be met by the Supplier in accordance with the provisions in No. 7, 10, 11 and 12, the economic circumstances of the Supplier, the type, scope and duration of the business relationship, any contributions to causation and/or fault on the part of the Purchaser in accordance with § 254 BGB (German Civil Code) and a particularly unfavorable installation situation of the Supplier Part shall be reasonably taken into account in favor of the Supplier. In particular, the compensation, costs and expenses to be borne by the supplier must be in reasonable proportion to the value of the supplier part.

15.2 If one of the contracting parties ceases to make payments or if insolvency proceedings are instituted against its assets or out-of-court composition proceedings are applied for, the other party shall be entitled to withdraw from the part of the contract which has not been fulfilled.

15.3 Should any provision of these Terms and Conditions and of the further agreements made be or become invalid, this shall not affect the validity of the remainder of the contract. The contracting parties shall be obliged to replace the invalid provision by a provision which comes as close as possible to it in terms of economic success.

15.4 The law of the Federal Republic of Germany shall apply exclusively, unless otherwise agreed.

The application of the United Nations Convention on Contracts for the International Sale of Goods is excluded.

15.5 The place of performance shall be the registered office of the Purchaser. Something else may be agreed for the delivery.

15.6 The place of jurisdiction shall be the plaintiff's registered office or another competent court.