

1. General Provisions / Scope of Application

(1) Our Terms and Conditions of Purchase shall apply exclusively. We shall not recognise terms and conditions of the supplier that conflict with or deviate from our Terms and Conditions of Purchase, unless we have given our express written consent to their application. Our Terms and Conditions of Purchase shall apply even if we unreservedly accept, or pay for, the supplier's delivery knowing of terms and conditions of the supplier that conflict with or deviate from our Terms and Conditions of Purchase.

(2) All agreements made between us and the supplier for the purpose of implementing this contract shall be laid down in writing. Purchase orders and delivery requests may also be effected by telefax.

2. Offer - Offer Documents

(1) The supplier shall have 2 weeks within which to accept our purchase order. Until the supplier's declaration of acceptance has been received, we shall be entitled to cancel purchase orders at any time.

(2) We shall retain rights of title and copyrights to illustrations, drawings, calculations and other documents. These shall be used exclusively for manufacturing on the basis of our purchase order, and shall be automatically returned to us once the purchase order has been carried out. They shall not be made accessible to third parties, and shall be kept secret in relation to third parties. The supplier shall require our express written consent prior to passing these on to third parties.

(3) Cost estimates drawn up by the supplier shall be binding and free of charge.

3. Prices, Terms and Conditions of Delivery and Payment

(1) The price indicated in the purchase order shall be binding. In the absence of a written agreement to the contrary, the price shall include delivery carriage-paid, including packaging. Any return of packaging shall require special agreement.

(2) Unless otherwise agreed upon, the price shall include value-added tax at the statutory rate.

(3) We shall be able to process invoices only if these show, as specified in our purchase order, the purchase order number quoted therein. The supplier shall be responsible for all consequences ensuing from any failure to comply with this obligation.

(4) Unless otherwise agreed upon in writing, we shall pay the purchase price with a 3 % cash discount within 30 days or net within 60 days. Payment shall be made with the proviso that the invoice be subject to checking.

(5) The period allowed for payment shall begin once the delivery or service has been fully performed, and the invoice has been properly issued and received. The deduction of a cash discount shall be permissible also in cases where we set off payments or retain payments to a reasonable extent on the basis of defects. In such case, the period allowed for payment shall begin after the defects have been fully remedied.

(6) We shall be entitled to rights of set-off and retention to the statutory extent.

(7) Over-deliveries or under-deliveries on any scale shall be permissible only if specifically agreed upon when the order quantity was specified. If we accept over-deliveries, we shall not be obliged to pay for the parts over-delivered.

4. Delivery Period

- (1) The delivery period specified in the purchase order, as well as agreed dates and time limits shall be binding.
- (2) The supplier shall promptly inform us in writing, if circumstances indicating that the agreed delivery period cannot be met occur or become evident to the supplier.
- (3) If guaranteed delivery periods are not adhered to, we shall, notwithstanding further statutory rights, be entitled to cancel the purchase order and/or claim compensatory damages and/or procure a substitute delivery from a third party.
- (4) Acceptance of a delivery or service performed late shall not constitute a waiver of damage claims.
- (5) In the event of default in delivery, we shall be entitled to claim default damages at the flat rate of 1 % of the delivery value for every full week, but no more than 10%. Further statutory claims shall remain reserved. The supplier shall have the right to prove to us that no loss at all, or a considerably lower loss, was incurred as a consequence of default.
- (6) Insofar as we have defaulted on taking delivery or making payment, the expenditure reimbursement claim to which the supplier is entitled shall be limited to 0.5 % of the delivery value per full week, unless default is due to wrongful intent or gross negligence.

5. Passage of Risk - Documents

- (1) Unless otherwise agreed upon in writing, delivery shall be free to our address.
- (2) The supplier shall accurately quote our purchase order number in all shipping documents and delivery notes. If it omits to do so, delays in processing shall be unavoidable, and shall not be deemed to be our fault.

6. Inspection for Defects - Warranty

- (1) After the goods have been received, we shall examine the goods as regards visible defects, identity, missing quantities and transportation damage. There shall be no obligation to carry out checks beyond the foregoing. A notification of defects shall be timely, if it is received at the supplier within a period of 14 working days from hand-over. The supplier shall waive the defence of failure to give notification of defects in due time.
- (2) We shall be fully entitled to statutory warranty rights. Regardless thereof, we shall be entitled to demand, at our option, that the supplier remedy all defects or deliver a new item. In such case, the supplier shall bear all expenditure necessary for remedying defects, in particular transportation costs, transport infrastructure costs, labour costs and costs of materials. The right to full compensatory damages shall remain expressly reserved.
- (3) Defect rectification may be carried out by us ourselves, or by third parties contracted by us, at the supplier's expense without setting a time limit, if we have a special interest in immediate rectification in order to avoid entering into default ourselves or owing to any other need for urgency.
- (4) If, as a result of any defectiveness of the contractual item delivered by the supplier, we take back products manufactured and/or sold by us, or if claims are asserted against us on account of such defectiveness, we shall be fully entitled to the statutory rights of recourse.
- (5) The warranty period shall be 3 years from delivery.
- (6) The supplier hereby warrants that all necessary official permit requirements and registration requirements in connection with importation of the goods shall be met by the supplier at its own expense.

7. Product Liability

- (1) Insofar as the supplier is responsible for product damage, and the cause thereof lies within its sphere of control and organisation, and the supplier itself is liable in relation to outside parties, the supplier shall indemnify us in this respect against third-party damage claims on first request.
- (2) In such cases, the supplier shall bear all costs and expenditure, including the cost of any legal defence or recall campaign.
- (3) The supplier hereby undertakes to maintain product liability insurance with an appropriate amount of cover for personal injury and property damage. Our damage claims shall, however, not be limited to this sum insured.

8. Property Rights

- (1) The supplier hereby warrants that no third-party rights shall be infringed in connection with its delivery.
- (2) If a third party makes a claim against us on account of the foregoing, the supplier shall indemnify us against these claims on first written request. Without the supplier's consent, we shall not be entitled to make any agreements whatsoever, particularly any settlement, with such third party.
- (3) This duty to indemnify shall relate to all necessary expenditure incurred upon us as a result of, or in connection with, such claim brought by a third party.

9. Supplies from Us / Tools / Retention of Title

- (1) Insofar as we supply parts to the supplier, we shall retain title thereto. Any processing or remodelling by the supplier shall be deemed to have been carried out on our behalf. If our goods under retention of title are processed together with other items not belonging to us, we shall acquire joint title to the new item in the ratio of the value of our item to the other processed items at the time of processing.
- (2) If the item supplied by us is inseparably mixed with other items not belonging to us, we shall acquire joint title to the new item in the ratio of the value of the item under retention of title to the other mixed items at the time of mixing. If mixing occurs in such manner that the supplier's item is to be regarded as the main item, it shall be deemed agreed that the supplier shall transfer joint title to us on a pro-rata basis. The supplier shall hold sole or joint title in safekeeping for us.
- (3) We shall retain title to **tools**. The supplier shall use the tools exclusively for manufacturing the goods ordered by us. If tools are manufactured on our behalf in order that products be manufactured for us, title to these tools shall pass to us upon payment of the first down-payment invoice, even if such payment is only a part payment. The contractor's duty to hold the tool concerned in safekeeping, and take care of the tool, free of charge in accordance with the contract shall substitute for hand-over of the tool to us.
- (4) On request, the tool shall be handed over to the ordering party with waiver of any right of lien or retention.
- (5) At its own expense, the supplier shall insure against fire damage, water damage and theft, on a replacement value basis, the tools belonging to us. The supplier shall carry out in due time, at its own expense, any and all necessary servicing and inspection work. The supplier shall immediately notify us of any and all faults. If the supplier culpably omits to do so, damage claims shall remain unaffected.
- (6) The supplier may not use itself, or offer or deliver to third parties, any products made in accordance with documents drafted by us, such as drawings, models and the like, or made in accordance with confidential information provided by us, or made using our tools.

 KIPP CAR COMFORT SYSTEMS	General Terms and Conditions of Purchase of Kipp GmbH & Co KG As of: 28/11/2014	28.11.2014
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10. Place of Jurisdiction / Place of Performance

(1) Rottweil shall be the place of jurisdiction, insofar as the supplier is an entrepreneur. However, we shall also be entitled to bring an action against the supplier before the court that has jurisdiction over its domicile.

(2) Unless otherwise agreed upon in writing, Sulz a.N. shall be the place of performance for all obligations arising from contracts concluded with the supplier.

(3) The laws of the Federal Republic of Germany shall exclusively apply to this contract, with the exclusion of the law on conflicts of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG).