



## Conditions of purchase Albert Weber (AW)

### I. Scope of Agreement

1. For your (hereinafter referred to as: Supplier) deliveries and services as a contractor to us (hereinafter referred to as: AW), the following General Purchasing Conditions shall apply, as far as other agreements have not been explicitly entered into.
2. General terms and conditions of business of the Supplier shall also not become basis of contract, even when AW has not explicitly objected to these in the individual case. Our Purchasing Conditions shall apply exclusively, even when we accept the Supplier's deliveries without reservation, despite of being aware of Supplier conditions that are contrary to or deviate from our Purchasing Conditions.
3. These General Purchasing Conditions shall also apply to future business transactions, where no explicit reference is made to them, when having been agreed upon by the parties at an earlier order. Should other provisions on behalf of the Supplier come into effect instead of these Purchasing Conditions, then this shall require written agreement.

### II. Ordering

1. Any orders, modifications or supplementations of the orders require to be in written or text form in order to be effective.
2. A contract only comes into effect through a written order confirmation on behalf of the Supplier, which must be received by AW within seven days of the order date. This does not affect the right of AW to revoke the order prior to or at the time of the receipt of the order confirmation.
3. If the contract or the order provides that the products are determined by way of call-off, then these call-offs shall become binding 3 days after being communicated to the Supplier, as far as the Supplier has not objected in writing to this point of time.

### III. Delivery and Performance Scope

1. The delivery and performance scope specified in the order shall apply between the parties. The delivery and performance scope shall also include such products and services that are not individually specified in the order, yet are necessary for the proper function of the supplied products and the products and units, which they work together with, to ensure the purpose of this contract in terms of a given customer order.
2. AW shall be able to change/modify or supplement the delivery and performance scope at any time. The Supplier shall carry out changes/modifications or supplementations to the delivery and performance scope that prove to be necessary upon placement of the change/modification demand, in line with the conditions specified in the order. Thus, the Supplier shall - within reasonable period - latest however within 14 days after receipt of the change/modification demand, respond in writing as to possible consequences, specifically concerning effects to the technical design and the costs, as far as the changes/modifications are not already subject to the agreed upon performance scope. The same applies for necessary changes to deadlines.  
Should AW decide on changes/modifications to be carried out that are so far not in the performance scope, then both parties shall adapt the contract appropriately. Changes to pricing and deadlines require AW's written confirmation.

### IV. Deadlines and Consequences of Exceeding Deadlines, Contractual Penalty

1. Agreed upon deadlines for deliveries of supplies and services are binding. AW shall be informed immediately in writing of possible delays.
2. In case the Supplier does not deliver the supplies or render their services within a period of grace set by AW, AW shall be entitled to refuse the acceptance, to withdraw from the contract, or to claim damages instead of demanding the performance, even without prior notification. Additional costs incurred by AW due to the delay, particularly additional costs caused by the necessity of alternative coverage of supplies due to the delay, shall be borne by the Supplier.
3. AW shall also be entitled to withdraw, when the Supplier is not responsible for the delay.
4. The Supplier shall be obligated to pay AW a contractual penalty of 0.2% of the net order amount per workday of the delayed delivery, however, not exceeding 5.0% of the net order amount.
5. AW shall have the right to claim for damages caused by default or delay beyond the contractual penalty. The Supplier shall have the right to prove that no or lower damages have occurred as a result of the default or delay.

### V. Prices

1. The prices of the order shall be deemed fixed prices, and shall include all expenditures in context with the fulfillment of the Supplier's deliveries and performances (particularly other material costs in the sense of Item III No. 1, costs for transport, insurance, packaging, taxes, customs fees, etc.). AW shall only bear such costs that are explicitly listed in the order as to be paid by obligation by AW. For machinery and tooling, a technical description and the operating instructions are to be provided free-of-charge.

### VI. Handling/Delivery/Personnel Deployment at AW

1. The - even partial - passing on of this order to subcontractors shall only be possible, as far as AW has granted its written approval.
2. Partial deliveries shall require AW's written approval.
3. A delivery notice shall be enclosed with each delivery, providing AW's order and article number as well as the designation of the contents according to the type and quantity of the ordered goods/services.

4. For software products, the delivery obligation is not fulfilled until the complete documentation has been submitted. For programs specifically created for AW, the respective program shall also be provided in source code format.
5. All work and services being performed by the Supplier on premises or in facilities of AW shall be carried out under strict observance of the "Instructing External Companies" guidelines, to specifically ensure that the work and environmental-protection requirements are complied with. The document shall be made available to the Supplier, and the current version can be viewed on the Internet under [www.a-weber.com](http://www.a-weber.com).

### VII. Terms of Payment/Payment Due Period/Assignment

1. The Supplier's invoice shall be provided in written form by way of mail, and shall include AW's order number, delivery notice number and article number.
2. AW shall be entitled to pay the purchase price within 14 days after receipt of the delivery and invoice with a 3% discount, or within 60 days net.  
Upon acceptance of too early deliveries, the due period depends on the agreed upon delivery date.  
The date of payment shall be the day on which AW's bank has received the transfer order, or, in the case of check payment, the date of dispatch.
3. The begin of the payment period also requires the proper documentation delivery.  
The payment period for machinery requires the successful initial sampling of the machinery and AW's written release/approval of the machinery.
4. Payments do not constitute acceptance of the delivered goods or services as according to contract. In case of incorrect or incomplete delivery and/or service, AW shall, without prejudice to any other of its rights, be entitled to withhold payments of claims from the business relationship to a reasonable extent until proper performance.
5. Without AW's prior written consent, which may not be unreasonably withheld, the Supplier shall not be entitled to assign a claim against AW or have a claim collected through a third party. In case of extended reservation of title, consent shall be deemed granted.

### VIII. Delivery Transfer, Acceptance, Ownership/Title to Goods

1. Regardless of the agreed upon pricing, the risk passes with arrival at the delivery address specified by AW when delivery is without installation or assembly, and for delivery with installation or assembly, the risk passes with formal declaration of acceptance on behalf of AW.  
Commissioning or use do not replace AW's declaration of acceptance.
2. After their payment, the ownership of the delivered goods passes to AW. Any extended or expanded reservation of title is expressly excluded.

### IX. Duty to Examine and Requirement to give Notice of Defects

1. AW has the obligation to examine the goods delivered by the Supplier for apparent/obvious defects immediately upon receipt. Claims in respect to apparent/obvious defects shall be deemed timely, when made within 14 days upon delivery of the goods at AW.
2. Defects not detectable according to Item 1. are deemed to be claimed timely, when asserted against the Supplier latest within 14 days after discovery.
3. When defective goods are returned to the Supplier by AW, AW shall be entitled to charge back the invoice amount plus an administration fee of 2.5% of the net price of the defective goods. AW reserves the right to furnish proof of higher expenses. The Supplier shall have the right to furnish proof of lower or no expenses.

### X. Liability for Defects - Limitation Period

1. Defective deliveries and/or services shall be replaced immediately at AW's option through deliveries and/or services that are free of defects.
2. A rectification of defective deliveries and/or services shall require AW's approval. During the period in which the subject-matter of the delivery or service is not in AW's custody, the Supplier shall bear the risk.
3. In case the Supplier does not deliver the supplies or render their service within a reasonable period of grace set by AW, AW shall be entitled at its option to withdraw from the contract, or to reduce payment and additionally claim for damages.
4. When serious fault as to the defective deliveries and/or services can be attributed to the Supplier, which justifies serious doubts on his performance, or when there is a special interest in immediate elimination of the defect, AW shall have the right to correct the defects or have the defects corrected by a third party at the Supplier's expense without granting the Supplier a grace period. A special interest in this sense is given, when the defects must be corrected immediately. This is the case as far as notifying the Supplier - even with a brief period of grace - can be ruled out, in order to avert imminent danger or greater damage, for example to prevent AW itself from defaulting in delivery and/or, the danger of exceptionally high damage as risk without immediate correction of the defects.
5. Claims arising from liability for defects (defects in quality and defects in title) are subject to a limitation period of 24 months from the initial registration of the final product or the installation of spares, however, latest 36 months after delivery to AW. The receipt of the notice of defects suspends the running of the limitation period to the point of time, at which the notice of defects is conformed to or the claim for defects is rejected.
6. For the case of repeated delay in delivery and/or repeated defectiveness of the supplies and/or services despite prior written warning, AW shall be entitled to complete extraordinary cancellation of the orders not yet fulfilled to this point of time.



7. As far as customers of AW – generally automotive manufacturers – apply a Reference Market Procedure or a similar procedure commonly applied in the automotive industry for determining and settling warranty cases, and claim for defects of products from AW resulting from defects of the products of AW's Supplier, then this procedure shall also be applied to the supplier relationship of AW's Supplier.

XI. Property Rights

- 1. The Supplier shall ensure that AW or customers of AW shall not infringe intellectual proprietary rights of third parties through the purchase, possession, offering, usage, processing or reselling of the products - in particular no trademarks, company rights, rights to bear names, patent rights, rights to utility models, registered designs/design patents, get-up rights, design or copyrights (including the respective property right applications ("Property Rights)) - within the Supplier's country of origin, as well as within the Federal Republic of Germany, the European Union, the United States, Canada, Brazil, Argentina, Russia, South Africa, Australia, China, Korea, Thailand, Japan and India. If the Supplier culpably infringes on this duty, then he shall release AW and their customers at the first request of Albert Weber against any and all third party claims from such actual or alleged infringements of property rights and shall bear all costs and expenses incurred by Albert Weber in this context, in particular costs for prosecution and defence on the one hand and costs resulting from the violation of a potential duty of omission on the other hand. AW itself is a global supplier to the automotive industry, which is why the fact is specifically pointed out to the Supplier, that the products are sold worldwide and are in use worldwide.
2. Item 1.) shall not apply when the Supplier's product was manufactured according to drawings, models or other detailed specifications on behalf of AW, and if it was neither known nor should have been known to the Supplier that this would infringe third party property rights.
3. The parties are obligated to inform themselves promptly of infringement risks that have become known and alleged cases of infringement, and shall counteract such infringement claims by mutual agreement within reasonable expectations.
4. The limitation period is 3 years from the conclusion of the relevant contract.

XII. Spare Parts

The Supplier commits to ensure the availability of spare parts, wear parts and operational exchange parts for the delivery item until 15 years after the expiration of the warranty period. Prior to the expiration of this deadline, the Supplier shall grant AW the option of placing a final order.

XIII. Creditworthiness of the Supplier/Force Majeure/Right to Withdraw from the Contract

In the case of imminent or pending insolvency proceedings against the Supplier or their sub-supplier, AW is to be notified thereof promptly and completely. In the case that insolvency proceedings are initiated or instituted against the Supplier's property/assets or the opening is refused for lack of assets, AW shall be able to immediately dispose of the Supplier's and/or their sub-supplier's stocked deliveries/services and/or terminate the contract for good cause with immediate effect. If the Supplier's delivery is delayed due to force majeure or unforeseen events for which the Supplier cannot be held responsible (such as for example war, strike, natural disasters), then each party shall - for the case that the end of the incident is not foreseeable or will continue for more than two months - have the right to terminate or withdraw from the contract (or the not yet fulfilled part of the contract) without prior notice.

XIV. Insurance

For the duration of the contract (including all warranty/guarantee periods), the Supplier shall provide for sufficient coverage of liability insurance, and shall furnish proof thereof upon request by AW. The Supplier is aware of the fact, that WA itself also is a supplier of high-quality products to the automotive industry, which is why a significant monetary risk of liability is given.

In case the Supplier has insurance coverage under an insurance contract concluded by WA, the Supplier shall accept the respective insurance conditions as binding. The Supplier thus commits to comply with all related obligations, such as for example, to provide required information, follow instructions, comply with conditions, etc. When an insurance claim arises due to (co-)damage of things belonging to the Supplier, then the Supplier shall take over and reimburse AW the deductible existing against the insurance company; this shall be done to the ratio, in which the arisen damage to the Supplier, as covered by the insurance case, stands to the respective damage of AW.

XV. Secrecy and Data Protection

- 1. The Supplier is obligated to handle all information received in the course of the contract fully confidential.
2. The Supplier shall impose this obligation to all third parties assigned by him in fulfillment of the contract.
3. Production equipment/means and/or information/data of any type/form (for example models, molds/dies, templates, samples, tools, etc.) provided to the Supplier by WA in the course and context of the contract are to be returned to WA without delay upon completion of the order. The Supplier shall have no lien or right to defence of non-performance of the contract.

XVI. Provision of Material

- 1. Material provided by AW shall remain AW's property. It shall be safely kept - free-of-charge - separated from the Supplier's other equipment with the diligence of a responsible businessman and itemized as property of AW. It may be used only for carrying out the order.
2. The processing of materials listed under Item 1. or their modification shall only be carried out on behalf of AW. AW shall become the owner of the new

items/products created by this. As far as the provided materials form only a part of the new items/products, AW shall be entitled to co-ownership under consideration of the respective valuation.

XVII. Product, Work and Environmental Safety

The Supplier shall ensure without limitation that the goods/products comply with the applicable product-safety, environmental and work-safety regulations.

XVIII. Quality and Documentation

- 1. For all deliveries, the Supplier shall comply with and meet the generally accepted rules of technology, the safety regulations and the agreed upon technical data. Any changes/modifications of the delivery items shall require AW's prior written consent. For the initial sample inspection, we specifically refer to the currently applicable version of VDA Volume 2 „Production Process and Production Release“ as well as to QS 9000 „Production Part Approval Process (PPAP)“. Additionally, the following AW documents also apply: „Quality Instructions for Suppliers“ and „Quality Planning for Suppliers“, which are made available to suppliers and where the current versions can be viewed on the Internet under www.a-weber.com. Regardless of this, the delivery items are subject to continuous quality testing on behalf of the Supplier. The contract partners shall mutually inform each other of the possibilities of quality improvement.
2. If the type and scope of tests and the testing equipment and methods between the Supplier and AW are not firmly agreed upon, then AW shall - upon request of the Supplier - gladly discuss the tests/inspections with the Supplier within the scope of AW's knowledge, experience and possibilities, in order to determine the required state-of-art in terms of test engineering.
3. For specially-marked vehicle components in the technical documents or through separate agreement, the Supplier shall additionally keep note in special records as to When, How, Through Whom and What the delivery items resulted in terms of the quality tests subject to documentation. The test documents are to be kept for ten years and to be presented to AW upon request. Should a longer retention period be specified by law, then the statutory period shall be relevant. Within the scope of legal possibilities, the Supplier shall bind sub-suppliers to the same scope.
4. As far as authorities responsible for vehicle safety, emission regulations, etc. request insight to AW's production process and the test documents in order to review certain requirements, the Supplier shall - at the request of AW - agree to grant them the same rights in the Supplier's facilities and provide every reasonable support.

XIX. Place of Performance/Place of Jurisdiction/Applicable Law

- 1. The place of performance is the respectively specified delivery address.
2. The place of jurisdiction is Markdorf.
3. German Law shall apply exclusively under the exclusion of standards that refer to other laws and under the exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

XX. Final Provision

In the event that individual provisions of these General Purchasing Conditions are or become ineffective, then this shall not affect the validity of the remaining provisions. Instead of the invalid provision/provision that has become invalid, a regulation shall apply, which, as far as legally possible, comes closest to the economic purpose of the invalid provision/provision that has become invalid, unless the invalidity would arise under the viewpoint of the General Business Conditions. In this case, the statutory regulation shall apply instead of the adaptation of the contract.

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Table with 6 columns: Issue date, Change description, Issued by, Name process owner, Name QMS Expert. Row 1: A, 10/23/2020, Entry into the integrated management system as a controlled document, Bertram Heimgartner, Bertram Heimgartner, Tatjana Bornträger