

GENERAL TERMS AND CONDITIONS OF PURCHASE (GTP) of the GRÜNER Group (as at July 2017)

1. General

(a) These GTP apply exclusively to all business transactions between Grüner Systemtechnik GmbH & Co. KG, Grüner Hildburghausen GmbH and Grüner Produktions GmbH (hereinafter 'Grüner') and suppliers, service providers or other contractors (hereinafter 'the Supplier') supplementing the other expressly agreed special contractual agreements. Other conditions, in particular general terms and conditions of the supplier, are not accepted by Grüner even in the case of unconditional acceptance of deliveries or services unless Grüner has expressly agreed in writing to their application.

(b) The GTP in their current version also apply to all future business relations between Grüner and the Supplier without Grüner having to expressly point out again their inclusion in the individual case. The Supplier can view the current version of the GTP at <http://www.gruener-systemtechnik.de/de/agb.html>

2. Conclusion of contract

(a) Grüner's orders or call-offs are binding, provided they have been submitted in written or electronic form. Verbal or telephone orders are not binding and require a confirmation in written or electronic form.

(b) The Supplier must confirm orders by means of an order confirmation including a binding statement of price, time of delivery and the Grüner order number, doing so within a week of receipt of the order in written or electronic form. If Grüner has by an express written agreement with the Supplier waived the submission of an order confirmation, the Supplier shall be obliged to accept the order within one week of receipt by unconditional execution. Call-offs on the basis of existing general agreements shall become binding – unless otherwise agreed in the general agreement – if the Supplier does not object in written or electronic form within a week of receipt of the call-off.

(c) In the event of obvious errors (such as typing or calculation errors) and incompleteness of the order or missing order documents, the Supplier shall be obliged to notify Grüner for the purpose of corrections or completion, otherwise the contract will not be deemed as concluded.

(d) Grüner is entitled to revoke the order up until receipt of the order confirmation or up until unconditional execution of the order.

(e) An order confirmation from the Supplier which differs in content from the order will be just as valid as a new offer for conclusion of contract as order confirmations in which information regarding price or delivery time are given for the first time. This new offer for conclusion of contract by the Supplier shall be deemed as accepted by Grüner unless Grüner does not object in writing or in electronic form within one week of receipt of the new offer.

(f) Remunerations for visits or for the preparation of offers, projects and so on will not be granted by Grüner unless expressly agreed in writing between Grüner and the Supplier.

(g) The Supplier is not entitled to make any changes to the order without the prior written consent of Grüner.

3. Delivery

(a) The goods or services and work which have been ordered or called off shall be delivered or rendered on the agreed date. Compliance with the agreed deadlines or dates is based on receipt of the goods at the agreed destination or on the acceptable full rendering of the service. Periods for delivery or performance begin with the date of the order.

(b) Unless expressly agreed otherwise, deliveries shall be made in accordance with the DDP (delivered duty paid) clause of the 2010 Incoterms at the destination specified by Grüner in the order or call-off in question. The Supplier shall bear the costs and the risk of incidental loss and incidental deterioration of the delivery items up until arrival of the delivery items at the designated destination or up until acceptance of the agreed service.

(c) The Supplier must notify Grüner immediately of any difficulties which prevent him from timely delivery or performance in the prescribed quantity or quality, indicating the reasons for this and the anticipated duration of the delay.

(d) The Supplier cannot plead the absence of necessary documents or goods to be supplied by Grüner unless he had sent Grüner a written reminder regarding the documents or goods and did not receive them within a reasonable period.

(e) Partial deliveries and services are only permissible with the prior consent of Grüner and must be specially marked as such.

(f) A delivery note must be included with every delivery or service for further processing at Grüner, said note clearly indicating in particular the order number, date of order, supplier number, date and content of the delivery (for example, part number, batch number, item number, quantity) or type of service, the agreed receiving and unloading locations as well as any special features regarding delivery. In the case of import deliveries, all necessary accompanying documents, movement certificates and certificates of origin must be attached. This will not apply in the event that expressly different provisions have been made.

(g) If analysis certificates or other manufacturing documents have been agreed for the goods to be delivered, these will form an essential constituent part of the delivery and are to be handed over to Grüner together with the delivered goods.

(h) If no specific packaging has been specified by Grüner, the Supplier shall pack the goods in accordance with normal commercial practice. The Supplier shall be liable for losses and damage arising during transportation, including unloading, up until acceptance at the destination. The Supplier must therefore on his own account take out adequate transportation insurance for his deliveries.

(i) Goods will be accepted during Grüner's business hours or at any times for goods acceptance separately made known to the Supplier by Grüner.

(j) Ownership of the goods is transferred to Grüner unconditionally and without regard to payment of the price. Any form of expanded or extended reservation of title is in any case excluded so that a reservation of title which may have been declared as effective by the Supplier will only apply up until payment of the goods delivered to Grüner and pertain to these.

4. Obligation of inspection and notification of defects

(a) At goods receipt Grüner will only check quantities, identity and apparent transportation and storage damage. Grüner will not be responsible for further investigations at goods receipt. Grüner will notify the Supplier of any defects or damage detected by Grüner during incoming goods inspection, doing so without delay but at the latest within five working days from the date of their detection.

(b) Should a formal acceptance has been agreed, there will be no obligation to inspect the incoming goods. Otherwise it will depend on the extent to which an investigation is feasible in the orderly course of business when the circumstances of the individual case are taken into account.

(c) The Supplier must be notified of any defects in or damage to the deliveries discovered later during the orderly course of business, doing so also without delay but at the latest within five working days from the date of their detection.

(d) In the case of transit business, the focus must be on the complaint of Grüner's customer.

(e) In this respect the Supplier will waive the objection of late notification of defects.

5. Prices / invoicing / payment

(a) The agreed prices are fixed prices. These prices already include all additional costs, in particular costs for packaging and transportation up to the agreed destination and also for customs duties. Value-added tax is to be shown separately.

(b) The Supplier's invoices must always include the order number allocated by Grüner at ordering, the date of order and the supplier number, otherwise the invoice will be treated as not received and the payment period will not begin.

(c) Payments shall be made, unless otherwise agreed, within 14 days calculated from the complete and defect-free delivery or performance of the service (including a formal acceptance, if agreed) and receipt of invoice, with a 3% discount or within 30 days net. Receipt of the transfer order at Grüner's bank will suffice for the timeliness of payments owed by Grüner.

(d) In the case of advance payments by Grüner, the Supplier will at the request of Grüner provide an adequate security, for example, in the form of a bank guarantee, the cost of which will be borne by the Supplier.

(e) Without consent by Grüner, the Supplier is not entitled to assign claims against Grüner to third parties or have them collected by third parties. Should the Supplier assign claims against Grüner to a third party without the consent of Grüner, Grüner can pay with discharging effect the Supplier as well as the third party.

(f) Grüner has the right to withhold performance, the right to set-off and to retention to the extent permissible by law. The Supplier only has the rights of set-off and retention insofar as the counterclaim on which the rights to withhold performance, to retention or to set-off are based is uncontested or legally recognized or a counterclaim is based on the same contractual relationship.

6. Quality assurance on the part of the Supplier

(a) The Supplier must set up his manufacturing and inspection processes such that the delivery of defect-free products and the rendering of defect-free services is guaranteed and the quality standards agreed between Grüner and the Supplier are complied with. It is the responsibility of the Supplier to permanently and dependably secure compliance with the required characteristics and quality regarding his supply products or services including in particular by application of preventive measures.

(b) The Supplier is obliged to carry out quality inspections during production and to carry out an outgoing goods inspection and must accordingly inspect deliveries and services comprehensively and reliably with regard to their quality and document the corresponding inspections together with the results of the inspections.

(c) In the case of parts for the automotive industry, the Supplier must ensure the traceability of his supplied products by means of appropriate markings in order to enable a dependable isolation of those products which, in the case of a delivery of defective products, could also be defective. The particular form these traceability obligations take will be reserved to separate agreements between the Supplier and Grüner.

(d) Without prior written consent by Grüner, the Supplier will not be entitled to have third parties (sub-contractors, for example) carry out or render the delivery or performance owed by the Supplier. The Supplier will bear the risk of procurement for his

services unless otherwise explicitly agreed in the individual case.

(e) Should the Supplier himself procure material, products or services for the manufacture of the supplied products or for the performance of services and also for the corresponding quality assurance, the Supplier will bear the responsibility with regard to Grüner for the quality of these supplies and services. With regard to Grüner, it is the Supplier's responsibility to ensure compliance – including in particular by application of preventive measures – with the required condition and quality of these advance deliveries or advance services.

7. Warranty

(a) The Supplier guarantees that the products he has delivered or the work he has carried out are free from defects, comply with the agreed quality, with the required properties and with the other requirements stipulated by Grüner and confirmed by the Supplier and are also suitable for the purpose envisaged by Grüner and communicated to the Supplier.

(b) Insofar as ordered goods or services can be recognized by the Supplier as having special requirements, particularly in the case of goods and services intended for the automotive industry, the Supplier must ensure that his deliveries and services for Grüner satisfy the relevant statutory provisions, guidelines and accepted engineering standards in the corresponding valid versions.

(c) Should the Supplier be doubtful or unclear about the specific requirements applicable to the supplied product or rendered service, the Supplier is obliged to contact Grüner immediately and resolve the doubt or uncertainties.

(b) The period of limitation for warranty claims is 4 years unless non-statutory rules, such as §§ 438 Para. 1 No. 2, 634a Para. 1 No. 2 or 479 BGB [German Civil Code] provide for longer periods in favour of Grüner or unless otherwise has been expressly agreed. The warranty period commences with delivery to Grüner or rendering of service to Grüner and completed formal acceptance.

(e) Other than that, the statutory provisions shall apply in regard to the Supplier's warranty to Grüner.

8. Recourse against the Supplier

(a) Grüner is entitled without restriction to its legally determined claims of recourse within a supply chain (supplier recourse under §§ 478, 479 BGB [German Civil Code]) in addition to its claims for defects. Grüner is in particular entitled to demand of the Supplier exactly the kind of supplementary performance (rectification or replacement delivery) which Grüner owes its customer in the individual case. This does not restrict Grüner's legal right of choice (§ 439 Para. 1 BGB [German Civil Code]).

(b) Before Grüner acknowledges or fulfils a claim for defects on the part of its customer (including reimbursement of expenses in accordance with BGB [German Civil Code] §§ 478 Para. 3, 439 Para.

2), Grüner will notify the Supplier and, providing a description of the facts of the case, will request a written statement. If no statement is received within a reasonable period of time and if no mutually agreed solution is arrived at, the defect claim actually allowed by Grüner will be regarded as owing to its customer; in this case a rebuttal is incumbent on the Supplier.

(c) Grüner's claims arising from supplier recourse will also apply in the event that the goods, before being sold to a consumer by Grüner or by other customers in the supply chain, have been further processed or have been used in a complete product by being installed in or combined with other products.

9. Liability / insurance

(a) Liability between the parties shall be governed by the statutory provisions unless different provisions have been expressly stated in these GTP.

(b) In the event that a claim for damages has been made against Grüner by a customer or other third party, the Supplier shall be obliged to release Grüner from claims of this kind insofar as the damage was caused by a defect in the product delivered by the Supplier or in the service rendered by the Supplier and the Supplier would, in compliance with legal requirements, be obliged to compensate Grüner for the damage.

(c) Under his obligation to indemnify, the Supplier must reimburse all costs and expenses pursuant to §§ 683, 670 BGB [German Civil Code] which arise from or in connection with any claim made by third parties including product recalls carried out by Grüner. Grüner will, if possible and reasonable, inform the Supplier of the content and extent of recalls and extend him adequate involvement and grant him an opportunity to respond. All other claims shall remain unaffected.

(d) The Supplier must take out and maintain a business and product liability insurance policy which adequately covers his risks with respect to Grüner as arise from deliveries or services.

(e) Insofar as the deliveries to be made to Grüner by the Supplier concern products which are used in the automotive sector and can result in personal injury, Grüner recommends that the Supplier for his own protection takes out not only a business and product liability insurance policy but also a car recall insurance policy.

10. Property rights

(a) The Supplier guarantees that the goods delivered or the services provided are free of third-party rights.

(b) If a third party makes a claim in this regard against Grüner, the Supplier shall be obliged to release Grüner from such claims. This indemnity obligation relates to all expenses which necessarily arise for Grüner from or in connection with the third-party claim.

11. Provisions

(a) Insofar as Grüner makes goods, objects, such as samples, tools, drawings, diagrams, programs, other documents or information available to the Supplier for the purpose of manufacturing supplied products or rendering services, or develops at its own expense such items in connection with deliveries or services (hereinafter jointly referred to as 'provisions'), Grüner shall retain ownership as also any property rights in this respect.

(b) Provisions on the part of Grüner may only be used for deliveries or services to Grüner. Any processing, mixing or combining of the provided goods undertaken in connection with the Supplier's deliveries or services is to be undertaken solely for Grüner.

(c) The Supplier must mark Grüner's provisions as such and at his own cost insure them at their new value. The Supplier will transfer compensation claims arising from this insurance to Grüner and Grüner herewith accepts the assignment.

(d) The Supplier is obliged to carry out or cause to be carried out in a timely manner and at his own expense not only the necessary servicing and inspection work on the provisions, especially on the production resources provided, but also maintenance and repair work. In the event of reduction in value or loss, the Supplier must pay compensation unless the reduction in value or loss is not attributable to the Supplier.

(e) Objects which have been provided, in particular documents, may only be duplicated with the express written permission of Grüner.

(f) All provisions and copies which may exist must be returned to Grüner once the order has been rejected or fulfilled.

12. Confidentiality

(a) The Supplier undertakes to treat with confidentiality all aspects of the business relationship, in particular documents or information provided to him or brought to his attention. In particular he will treat as a business secret all non-shared commercial and technical details which become known to him through the business relationship. The obligation of confidentiality excludes only such information or aspects of the business relationship which were already publicly known at the time of their disclosure and also such information or aspects of the business relationship which were already demonstrably known to the Supplier before disclosure of the information by Grüner.

(b) Documents and information from Grüner must only be made available to such persons as are executing Grüner's order. The Supplier will ensure that his employees will also uphold the legitimate confidentiality interests of Grüner.

(c) The Supplier is also obliged to maintain confidentiality even after the end of the business relationship.

13. Other provisions

(a) The place of performance for all deliveries and services of the Supplier as well as the place of performance and payment for all services provided by Grüner is that location of Grüner which has been specified as the destination.

(b) German law under exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall apply to the contractual relationship.

(c) The exclusive place of jurisdiction for all disputes related to the deliveries and services of the Supplier is the registered offices of Grüner in Bad Überkingen. Grüner is however also entitled to take legal action at the registered offices of the Supplier as well as at any other permissible place of jurisdiction.

(d) If any individual provisions of this contract are or become invalid or contain a loophole, the remaining provisions shall remain unaffected by this. The parties undertake to replace the invalid provision with a legally valid provision which most closely matches the legal sense and economic purpose of the invalid provision or closes this loophole.