General terms and conditions of purchasing

§1 Applicable provisions
(1) These terms and conditions of purchasing apply exclusively to all purchases, including future ones, of A-KAISER GmbH (hereinafter: A-KAISER). They apply both to the purchase of production materials (for the purpose of internal batch production, particularly raw materials and subassemblies, including parts) and to the purchase of spare parts, tools, services or machines and other products of any nature, provided that the application of any of the following provisions in these terms and conditions of purchasing is not explicitly restricted to individual or specific types of purchases.

(2) These terms and conditions apply exclusively. Any General Terms and Conditions of the Supplier that contradict or deviate from these technical drawing or a factory standard, hereinafter referred to as a "partial serial"), the following additional provisions shall also apply.

(7) Suppliers of serial parts warrant that they are certified according to IATF 16949 and DIN EN ISO 14001. If a Supplier does not have this certification, a written declaration to A-KAISER is required when the certification is expected to be obtained. If the Supplier should lose its certification for longer than twelve months, A-KAISER shall be entitled to terminate any supply agreements unconditionally. The status of any certifications will be reviewed in the annual supplier evaluations. In this regard, the Supplier must inform A-KAISER of the times, in writing and unsolicited of any changes to its certifications, furnishing the respective proofs.

(8) If there are suspected quality problems or delays in the delivery of serial parts, A-KAISER may carry out an audit with a lead time of six hours. The Supplier shall provide accompanying personnel and have to grant access to the manufacturing sites in this event. A-KAISER may gain an extensive and comprehensive insight into all quality, manufacturing control and logistics data on site. Audits may also be carried out by A-KAISER in collaboration with the customer of A-KAISER. If an audit of the Supplier leads to the result that the latter does not sufficiently comply with the agreed quality assurance measures, did act negligently or did culpably cause critical delays to delivery, A-KAISER may terminate the delivery agreements in question.

§2 Conclusion of the contract and modifications of the contract
(1) Enquiries to the Supplier concerning its products and conditions for services or requests for quotes shall not be binding contractually on A-KAISER.

(2) Written framework contracts (hereinafter ‘frameworks’) may be concluded for serial parts stipulating prices, payment conditions and specifications at least.

(3) For purchase orders, conclusions and supply call-offs, solely the written order from A-KAISER will be decisive.

(4) Contracts conclude into existence when the purchase order is confirmed by the Supplier, provided this does not deviate from the order from A-KAISER. The Supplier has to inform A-KAISER explicitly about possible deviations. Any deviations from these purchase orders are solely permitted if approved in writing by A-KAISER in advance.

(5) If the Supplier fails to confirm an order in written form within one week after receipt of order, the order will come into existence in accordance with the purchase order from A-KAISER.

(6) Supply call-offs within the context of a planning system for orders and call-offs will become binding if the Supplier does not object to them within two working days after receipt.

(7) The Supplier will receive, either in frameworks or in another form, an overview of delivery quantities for planning purposes (quantity forecasts). Quantity forecasts shall not constitute call-offs or guarantees, so that no claims may be derived by the Supplier towards A-KAISER from these. If the products ordered require raw materials that the Supplier uses exclusively for the products of A-KAISER, the Supplier will receive a raw materials clearance for the quantities that are ordered in the following three consecutive months if this is acceptable for the Supplier. In this case, A-KAISER undertakes to bear the procurement costs for these raw materials in the case of a short-term cancellation of supplies, provided that proof is furnished.

(8) A-KAISER may request changes to the products (particularly with regard to their construction and implementation) from the Supplier at any time, including after the confirmation of the order. In this case, the Supplier will inform A-KAISER immediately of any consequences of this request for change, particularly with regard to increases or decreases in costs as well as the delivery date, and the Parties will agree on an appropriate adjustment to the contract, if required.

(9) Telephone or oral agreements – including subsequent modifications or amendments to these terms and conditions of purchase – must be confirmed in writing to be valid. Similarly, oral agreements concluded after A-KAISER has rejected the General Terms and Conditions of any nature must be recorded in writing to be valid.

(10) This requirement for written form may also be met by remote data transfer or fax.

(11) The preparation of quotes, technical projects, preliminary studies etc. by the Supplier or cost estimates of the Supplier shall be free of charge for A-KAISER and in particular shall not compel A-KAISER to place an order, unless the contrary is explicitly agreed on in writing.

§3 Price and conditions
(1) As a matter of principle, the prices based on which A-KAISER issues purchase orders shall apply. If in particular, the Supplier is required to state a price in the order confirmation, this price must be expressly approved by A-KAISER. All prices agreed on are fixed prices and shall apply, unless otherwise agreed, to delivery carriage paid to the place of destination, which shall be the place of delivery stated in the purchase order. The prices include packaging, unloading, road tolls, fuel surcharges and other ancillary costs (insurance, factory certification, etc.) and, if prescribed by law, statutory VAT. Goods must be delivered with all duties paid to A-KAISER.

(2) If it is agreed in derogation from paragraph 1 that A-KAISER will bear the shipping costs, the shipping instructions issued by A-KAISER must be observed. A-KAISER shall not be required to contract forwarding insurance (exempted customer). If duty is to be paid on the goods, the Supplier must furnish sufficient copies of the documents required for paying this duty to the shipping company collecting the goods and submit them to A-KAISER by fax in advance.

(3) If no delivery price (including packaging) is contracted, the Supplier may calculate the costs for packaging according to its cost prices. If it is agreed that the goods are to be returned, the Supplier will credit the full amount of these costs to A-KAISER.

(4) Additional costs incurred owing to a failure in observing shipping instructions will be charged by A-KAISER.

(5) For serial parts, the prices agreed on (e.g. in frameworks) for the duration of the (framework) agreement shall apply. Price modifications may be negotiated with A-KAISER according to the following conditions only:
   a) the period agreed on in the framework must have elapsed;
   b) all calculation data and associated proof of changes in costs must be disclosed;
   c) Calculation data must be disclosed in such a manner as to enable A-KAISER to use the documents furnished by the Supplier in order to show its own customer transparency changes in costs.
   d) Cost changes must be verifiable from generally accessible sources independent from the Supplier and whose validity is unquestioned.
   e) Raises in wages will not be accepted as reasons for price increases.

(6) If the costs for serial parts for the Supplier fall, A-KAISER may demand a pro rata price reduction for the value-added share created.

(7) For serial parts, material price surcharges such as scrap and alloying elements will be negotiated separately and shown separately in the frameworks. They will be adjusted to current market prices at agreed intervals.

(8) Regarding serial parts, initial samples, test orders and pre-series will be invoiced according to the series price. Initial samples must be provided by the Supplier free of charge.

(9) Any modifications to processes (manufacturing processes, testing and measuring processes, facilities, production sites, ERP
Once delivery is complete, tools may be handed over to A-KAISER immediately of any planned changes in processes, its own manufacturing site or that of its sub-suppliers and of any changes in technology that A-KAISER requires. Furthermore, tools must be insured to the Supplier’s standard extent.

### Payment conditions

In the absence of any specific agreements to the contrary, invoices will be settled either within 30 days with a 3% discount or within 60 days without discount starting from the due date of the payment claim and the receipt of both the invoice and the goods/performance of the service. Payment is carried out with reservation to the invoice verification.

### One-off costs

1. For serial parts, costs for one-off services may be incurred, such as the costs of specific tools, appliances, development and testing services, machines and facilities, measuring devices and other one-off services (one-off services). One-off services will be covered totally or partly by A-KAISER on the proviso that they have been stated in the Supplier’s quote for the serial delivery, they were negotiated with A-KAISER during the purchase and A-KAISER has confirmed in writing to assume their costs. Thereupon, the Supplier will receive an individual order from A-KAISER.

2. A-KAISER is obliged to pay for one-off services only if proof of that service has been furnished and after successful sampling has been performed.

3. If the Supplier does not deliver serial parts until the order for the products, A-KAISER may reclaim the full amount already paid for one-off services.

4. Notwithstanding any agreements to the contrary, A-KAISER shall receive full ownership or co-ownership of the one-off services to the extent to which A-KAISER covers, at its own costs, the verified costs for those one-off services. Ownership or co-ownership of the one-off services will pass to A-KAISER when A-KAISER pays for those services. The one-off services remain with the Supplier on loan. The Supplier may not dispose of the one-off services in fact or in law, relocate them or render them permanently inoperative without the permission of A-KAISER.

5. The Supplier is obliged to use the name of A-KAISER to indicate the ownership or co-ownership of A-KAISER for the one-off services.

6. The Supplier shall bear the costs of maintaining, repairing and replacing the one-off services.

7. Spare tools will be owned by A-KAISER to the same extent as the original tools they replace.

8. In the case of co-ownership of a tool, A-KAISER shall have a pre-purchase right for the Supplier’s share of the ownership.

9. Tools in the ownership or co-ownership of A-KAISER must be used exclusively for the manufacture of the contractual products.

10. Tools must be insured to the agreed extent; if no extent is agreed, they must be insured to the Supplier’s standard extent.

Once delivery is complete, tools may be handed over to A-KAISER upon request. For tools in co-ownership, A-KAISER must compensate the Supplier for the time value of the Supplier’s share in the co-ownership after the receipt of the tools. The Supplier shall have no right of retention. The obligation of handover will still be incumbent on the Supplier in the case of insolvency proceedings of the Supplier or in the event of a longer-term interruption of delivery.

### Delivery, Delay in delivery

1. The Supplier must include a delivery note stating the A-KAISER order number at each delivery. A-KAISER’s acceptance of the delivery note is not stipulated with “carriage paid” (DDP according to Incoterms 2010), the Supplier must provide the goods in due time considering the time arranged with the hauler for loading and dispatch. Under no circumstances will the Supplier be held liable for any delays in dispatch when the goods are dispatched by the haulier. If the hauler does not collect the goods as confirmed in the notice of dispatch, the Supplier must inform A-KAISER immediately on this.

2. The decisive date for determining whether a delivery date or delivery deadline has been respected is the date on which the goods are received by A-KAISER. If in particular cases, delivery is not stipulated with “carriage paid”, the Supplier must inform A-KAISER immediately of any planned changes in processes, its own manufacturing site or that of its sub-suppliers and of any changes in technology that A-KAISER requires. Furthermore, tools must be insured to the Supplier’s standard extent.

3. Delivery must be made in due time and has to correspond with respect of execution, kind and scope to the purchase order or schedule (deliveries), to the order date set out in the purchase order and is binding on the Supplier; if this information is not provided, the delivery deadline shall begin to run on the date of the order confirmation.

4. The Supplier must fulfil all orders itself. Assigning orders to third parties (subcontractors), even if the Supplier delivers in its own name, is not permissible without the approval of A-KAISER. The Supplier must inform the subcontractor of any obligations that are to observe resulting from the order and from these terms and conditions of purchasing. A-KAISER shall be entitled to refuse a Supplier’s subcontractor if the latter fails to observe these conditions. Subcontractors for serial parts must be certified according to IATF 16949 and DIN EN ISO 14001. Any other certification standards, e.g. ISO 9001 require a separate agreement and approval by A-KAISER.

5. If the Supplier has assumed the installation or assembly and unless anything else is stipulated, the Supplier shall bear all necessary ancillary costs, such as travel costs for providing tools and releasing, with reservations to any regulations to the contrary.

6. If the Supplier is behind schedule with a delivery, it must pay a contractual penalty of 1% of the purchase price of the delayed products per week of delay commenced, up to a maximum of 5% of the purchase price, to A-KAISER. The right for the assertion of claims for damages remains unaffected. The Supplier must cover the following costs, inter alia: extra tour costs (both from the Supplier to A-KAISER and from A-KAISER to its customer), additional equipment costs, relocation costs additional costs from extra shifts, production downtime costs, exchange costs/conversion costs, additional testing costs and loss of profits. Any due contractual penalties will be set off against any claims for damages asserted in the past. A-KAISER must be informed daily on plans to clear backlogs until the delivery delay has been completely obviated.

7. If the Supplier foresees difficulties regarding manufacturing, obtaining primary materials, meeting the delivery date or similar circumstances liable to inhibit a timely delivery or delivery of the agreed quality, the Supplier must inform the order department of A-KAISER immediately, stating the reasons for and expected duration of the delay and its effects, together with the measures it takes to remedy the situation.

8. For serial parts, the Supplier is obliged to provide a project plan after the commissioning to A-KAISER. A-KAISER is entitled to check the progress of the project concerning the adherence to delivery dates or the promises of the supplier. If the schedule is not being adhered to, A-KAISER shall be authorised at any time to demand measures for the adherence to delivery dates or to carry out those measures or have them carried out by a third party at the Supplier’s expense.

9. For serial parts, A-KAISER shall be entitled to carry out a process audit at any time and at short notice, at the premises of the Supplier.

10. For serial parts, moreover, A-KAISER will be entitled to attend production over several days at the Supplier’s premises in the form of a Run@Rates free of charge to examine the Supplier’s process capabilities and capacities.

11. When referring to standards, the Supplier must ensure to deliver according to the latest valid version of the standard.

12. Partial and excess deliveries are not permitted unless expressly authorised by A-KAISER or acceptable to A-KAISER. Any additional costs thereby incurred will not be covered by A-KAISER.

13. The Supplier must inform the FIOF and its partners of all material data, e.g. for logistic chain work with serial parts, i.e. the first items must be processed and delivered first. In addition, the Supplier guarantees continuous traceability for serial parts and delivery products. In particular, the Supplier shall ensure that all essential process steps chronologically and physically for every delivery to A-KAISER. Upon request by A-KAISER, the Supplier shall provide the material immediately and term-free of charge.

14. Deliveries ahead of schedule will be accepted by A-KAISER only by written agreement. If the Supplier delivers the products prior to the agreed delivery deadline, A-KAISER reserves the right to have the products sent back at the expense and risk of the Supplier. If A-KAISER does not send the products back following a delivery ahead of schedule, the products will be stored at the expense and risk of A-KAISER.

15. Regard of quantities, dimensions and weights, the values determined by us during preliminary testing shall be decisive. A-KAISER shall be entitled to use the agreed delivery deadline as the basis for calculating the penalties and contractual damages.

16. The Supplier must comply with the requirements of the respective valid national and international regulations. The Supplier must provide the goods free of charge. If this is not possible, the Supplier shall bear the associated disposal costs incurred by A-KAISER.

17. The purchase order is binding on the Supplier and from A-KAISER to its customer), additional equipment costs, relocation costs additional costs from extra shifts, production downtime costs, exchange costs/conversion costs, additional testing costs and loss of profits. Any due contractual penalties will be set off against any claims for damages asserted in the past. A-KAISER must be informed daily on plans to clear backlogs until the delivery delay has been completely obviated.

18. If the initial samples of serial parts cannot be delivered within the agreed deadline or the serial production cannot be launched at the agreed deadline, A-KAISER shall have the extraordinary right to terminate the delivery agreements concerned. Any costs or...
losses incurred as a result will be assumed by the Supplier, unless the latter is not to blame for the circumstances. Furthermore, A-KAISER shall be entitled to reclaim any one-off payments already made.

If the delivery also includes software, A-KAISER shall have a right unlimited in time, to use that software to the extent permitted by law and with appropriate scope for the usage of the goods in accordance with the contract.

A-KAISER may process, duplicate or translate the software, or convert it from object code into source code, and may make backup copies. Furthermore, A-KAISER is entitled to grant usage rights to its own customers to the respective extent, if required, to enable the customers of A-KAISER to use and apply the item according to the contract.

Series parts must be packaged in accordance with A-KAISER packing instructions and A-KAISER factory standards. If there are no A-KAISER packing instructions, the Supplier shall be responsible for ensuring that the contractual products are packaged in such a manner as to ensure that they are delivered in accordance with specifications and to take into account the means of transport as instructed by A-KAISER.

Regarding serial parts, the Supplier must have sufficient quantities of its own empties to be used for transport between the Supplier and A-KAISER. The Supplier shall bear the costs for procurement, disposition, cleaned.

In the event of a shortage of empties for serial parts, the maximum quantities delivered in the past two years within three consecutive months shall count as an increase of those events. During such events and for two weeks duration and its demand diminishes considerably as a result of the products’ usability even after 6 months’ storage. Once a packaging has been designed and applied, it may not be modified without the written permission of A-KAISER.

(2) Regarding serial parts, the empties shall be disposed by the Supplier. In the case of discrepancies in the shipping load accounts for empties, the Parties shall grant each other access to each other’s books, in order to clarify discrepancies and to clarify any costs arising. The Supplier shall forthwith compile the costs for the procurement, transport and return transport of the packaging. The Supplier shall ensure that all packaging is transported, stored and cleaned.

(22) Regarding serial parts, the empties shall be disposed by the Supplier. In the event of a shortage of empties for serial parts, the material planner of A-KAISER must be informed immediately. Any measures required must be coordinated jointly. A switch to replacement packaging may be made only with the approval of A-KAISER. A delivery of replacement packaging may be made only with the approval of the materials planning or quality assurance departments of A-KAISER. In any case, the customer shall only be entitled to interrupt manufacturing because of shortages of empties.

§7 Capacity planning
(1) The Supplier is obliged to maintain sufficient human resources and technical resources to be able to supply the quantities stated in the delivery call-offs by continuous operation as well as to deliver additional quantities of 15% within a period of three weeks.

(2) If no separate capacity or quantity agreements have been stipulated for serial parts, the maximum quantities delivered in the past two years within three consecutive months shall count as 100% capacity. Regarding serial parts the Supplier guarantees that this capacity + 15% is available for A-KAISER.

(3) If the Supplier believes that this maximum capacity has been reached for serial parts, the supplier must inform A-KAISER immediately in written form that no further increase of capacity will be possible. In this case, a separate written capacity agreement should be conclusively determined in the interests of all parties.

§8 Force majeure
(1) Force majeure, industrial action, non-culpable disruptions, unrest, official measures and other inevitable events shall dispense A-KAISER from its duty to accept deliveries in due time for the duration of the contract. During such events and for two weeks following their cessation, A-KAISER shall be entitled – notwithstanding its other rights – to withdraw from the contract wholly or in part, provided these events are of a not insignificant duration and cause considerable prejudice as a result of the need to procure the products in a different manner.

(2) Strikes affecting the Supplier or public transport, or events of any kind occurring to subcontractors or sub-suppliers of the Supplier, shall not constitute force majeure and shall not justify neglect to perform deliveries.

§9 Transfer of risk
(1) The risk of accidental loss or accidental damage of the goods will pass to A-KAISER only once the unloading of the goods at the place of delivery is completed in accordance with the contract.

(2) If work services are provided, including assembly services etc., transfer of risk is accomplished at the moment of formal acceptance by A-KAISER via an acceptance report or another written declaration. Definitive acceptance (final acceptance) will occur once all contractual services have been performed completely and orderly, a facility has been installed and run up and proof of the agreed warranty values has been furnished. Final acceptance must be requested by the Supplier in writing. Furthermore, the Supplier must send an authorised representative to receive this report or certification and sign it. A-KAISER will then issue an acceptance report or certificate that has been checked and issued to attest the final acceptance. Final acceptance may be refused by A-KAISER in the case of significant defects that affect the functionality of the items delivered. If there are such significant defects, final acceptance will be granted once these defects have been removed.

§10 Warranty
(1) The Supplier shall provide A-KAISER with products free from physical defects and legal deficiencies. The Supplier assumes the warranty that the goods are produced from suitable materials 100% free from defects, processed carefully and correctly in accordance with recognised industrial standards and other applicable standards, and that the goods are unrestricted applicable for the purpose set out in the contract and that they possess the warranted properties and agreed performance values. All illustrations or warranties in the Supplier's catalogues, brochures, sales literature and quality assurance systems are binding on the Supplier. Technical specifications shall constitute warranties towards A-KAISER.

(2) Furthermore, the Supplier warrants that the scope of its deliveries, including transport to A-KAISER, meets the basic testing principles for work safety valid at the moment of the order, the stipulations of the currently valid environmental regulations as well as the relevant regulations and guidelines from authorities, trade associations and professional bodies.

(3) This warranty shall also apply to the services of subcontractors and agents of the Supplier. Furthermore, all warranty claims relating to the delivery shall pass to A-KAISER free of charge, in particular, without any costs being binding on the Supplier. The Supplier judges that such recommendations are not appropriate, it must inform A-KAISER in due time.

(4) In the event of material defects, it will be suspected that the defect already existed at the moment of transfer of risk, unless this suspicion is inconsistent with the nature of the item or the defect.

(5) The Supplier is obliged to inform A-KAISER immediately and in writing of any defects detected in the goods it produces for A-KAISER. Furthermore, A-KAISER may require the Supplier to inform A-KAISER immediately and unsolicited about any modifications to its manufacturing and testing conditions and to deliver the series parts produced following the process modification only if approved by A-KAISER.

§11 Claims for defects and recourse
(1) Regarding deliveries of goods, acceptance of goods will be made with reservation to inspection for freedom from defects, particularly for correctness, completeness and fitness for purpose. This inspection shall take place to the extent and as soon as possible according to the business plan. A-KAISER will inform the Supplier immediately on any defects detected in this inspection. Other defects that are identified only during processing or the appropriate application of the delivered goods will be notified to the Supplier with the goods as soon as they are discovered. Apart from that, the Supplier renounces any further-reaching inspection of goods on receipt and renounces any objections against subsequent claims for defects. The Supplier is aware that it has to perform an outgoing goods check according to
§ 13 Insurance
(1) The Supplier of serial parts is obliged to contract a business liability insurance and a product liability insurance at its own expense to cover the risks of product liability, including the risk of recall, with a renowned insurance company covering a sufficient amount (cover limit at least EUR 10m per accident and insurance year) and maintain that insurance for the duration of the commercial relationship, including the warranty periods.

(2) If a claim is brought against A-KAISER by a third party in this connection, the Supplier shall indemnify A-KAISER to the extent of the covered liability. If A-KAISER is not able to furnish proof of these insurance policies within two weeks, A-KAISER shall be entitled to contract such an insurance at the expense of the Supplier.

§ 14 Cancellation/termination of purchase orders/contracts
(1) A-KAISER may terminate purchase orders or contracts with a cause within the scope of §10 (6) with corresponding testing certificates and that further proceedings. If A-KAISER incurs any costs as a consequence of deficient responsibility of the Supplier, the latter shall bear the burden of the Supplier is at fault. If the cause of the damage lies within the Supplier. For fault-based liability, however, this shall apply only if the third party, at the Supplier’s expense.

(2) If the Supplier does not immediately begin to rectify the defect in question following the corresponding request by A-KAISER, A-KAISER shall be entitled to remedy the defect by itself or to have it remedied by a third party, at the expense of the Supplier.

(3) Regarding legal deficiencies, the Supplier shall release A-KAISER from any potential claims by third parties, unless the Supplier is not responsible for the legal deficiencies. With regard to such legal deficiencies, the Supplier shall be entitled to invoice for up to 3 years from the moment of transfer of risk on.

(4) For defects due by 4 years after the transfer of risk to A-KAISER. This shall not apply if the claims from a Supplier based on facts which the Supplier has been aware of or has been grossly negligently unaware of and did not inform A-KAISER. In this case, the limitation period is 30 years. The limitation period begins when the contractual items are delivered (transfer of risk).

(5) A-KAISER commits itself to a longer-term or further reaching liability for defects towards its customers, the Supplier is obliged to consent to be bound by this liability in the future as well, after having been notified of it in writing.

(6) If A-KAISER incurs any costs as a consequence of deficient goods, particularly transport, road maintenance, labour, material or investigative costs, the Supplier must reimburse these costs to A-KAISER.

(7) Further claims, particularly claims for compensation or claims under the Supplier’s warranty, shall remain unaffected.

(8) The conditional acceptance of a delayed delivery or service does not involve renunciation of any claims for compensation due to that delayed delivery or service to A-KAISER.

(9) If customers of A-KAISER have recourse to a reference market in connection with any recall campaigns run by A-KAISER from the products of A-KAISER resulting from defects in the Supplier’s products, this procedure shall also apply to the supply relationship between the Supplier and A-KAISER.

§12 Product liability and recall
(1) In the case that a claim is brought against A-KAISER regarding product liability, the Supplier shall be obliged to release A-KAISER from such claims if and insofar as the damage was caused by a defect of the contractual item delivered by the Supplier. For fault-based liability, however, this shall apply only if the Supplier is at fault. If the cause of the damage lies within the responsibility of the Supplier, the latter shall bear the burden of proof.

(2) The Supplier is obliged to provide A-KAISER with all necessary information and all support, to the extent reasonable, to permit A-KAISER to defend itself against such claims.

(3) The Supplier shall bear all costs and expenditures incurred in the circumstances of (1), including the costs of any potential legal proceedings.

(4) Within the context of its liability, the Supplier is also obliged to reimburse to A-KAISER all costs and expenditures incurred by or in connection with any recall campaigns run by A-KAISER. A-KAISER will inform the Supplier of any recall campaign to the extent possible and reasonable and give the Supplier the opportunity to submit its response. The right to bring more extensive claims remains unaffected.

(5) Apart from this, the relevant statutory regulations apply.
be placed under confidentiality obligations. The Supplier undertakes to impose an equivalent confidentiality obligation on its sub-suppliers. The Supplier may, if necessary, integrate any confidential information transmitted to it by A-KAISER for any purposes other than those stated by the contract.

(3) These obligations shall not apply to information for which the Supplier to A-KAISER that (i) it has already been in public domain at the moment it was communicated or fell into the public domain thereafter being no fault of the Supplier; (ii) it had been already in the Supplier’s possession when it was communicated; (iii) it has been communicated to the Supplier by a third party without any confidentiality obligation or any prohibition on usage, whereby this third party must not have obtained the information directly or indirectly from the Supplier; or (iv) it is required by the Supplier to be disclosed to the authorities because of the application of statutory provisions.

(4) All information conceded by A-KAISER must be returned to A-KAISER immediately and in its entirety at the latter’s first request or destroyed if desired by A-KAISER; this also applies to any copies or records of such information. The Supplier must return any information conceded by A-KAISER unsolicited as soon as that information is no longer required for the execution of the order.

(5) A-KAISER reserves all rights with respect of any information in this regard, including copyright and the right to register intellectual property rights such as patents, utility patents, etc.

(6) If the corresponding information has been disclosed to A-KAISER by third parties, this reservation shall also apply in favour of those third parties.

(7) If the Supplier manufactures products according to documents, illustrations, models or similar information developed by A-KAISER, or according to confidential information from A-KAISER, or by use of the tools of A-KAISER or recreated tools, or by use of information or with regard to § 16 (1), the Supplier is not allowed to use those products itself or to offer or to supply them to third parties.

(8) The Supplier commits itself to return all confidential information received by A-KAISER to the latter after the completion of the supply relationship, insofar as that information is physically manifested or stored on electronic storage media. The Supplier must confirm in writing the completion of the supply relationship stated in the latter two paragraphs upon request from A-KAISER.

§ 18 Intellectual property in development work

If the Supplier carries out development work for A-KAISER for production materials or manufacturing equipment (particularly tools) whose costs are reimbursed by A-KAISER either separately and/or via the prices paid for the products (i.e. are included in the order), the following shall apply.

(1) The Supplier must ensure that the development results free from intellectual property rights of third parties.

(2) The legal title to all development results (including any inventions, know-how, test and development results, propositions, ideas, drafts, designs, suggestions, samples, models, etc.) created by the Supplier in the course of the cooperation recorded in the commitment, the supplier has to provide, carefully storage and insure the necessary tools and other devices required for the realisation of any further foreign trade data for its goods and their component parts, and to inform A-KAISER immediately and in writing (prior to the delivery of any goods thereby affected) of any changes of these data.

(3) The Supplier is obliged to compensate any loss or damage incurred because data or documents are incorrect or are not recognised by the responsible authorities, unless the Supplier is not responsible for the consequences of this.

§ 20 Import and export checks and customs

(1) The Supplier is obliged to inform A-KAISER on any obligations concerning the approval for (re-)imports/exports of its goods according to German, European, Brazilian, Chinese, Japanese, Mexican, Thai, Hungarian or US import or export provisions and customs provisions and the import/export provisions and customs provisions of the country of origin of its goods via its business documentation, and also furnish any necessary confirmations.

(2) Upon request, the Supplier is required to inform A-KAISER in writing on any further foreign trade data for its goods and their component parts, and to inform A-KAISER immediately and in writing (prior to the delivery of any goods thereby affected) of any changes of these data.

(3) The Supplier is obliged to compensate any loss or damage incurred because data or documents are incorrect or are not recognised by the responsible authorities, unless the Supplier is not responsible for the consequences of this.

§ 21 Compliance

(1) The Supplier is obliged to comply with the relevant legal provisions governing interaction with employees, protection of the environment and health and safety in the workplace, and to work on reducing impacts harmful to human health and the environment in its business activities. With this regard, the Supplier shall install and develop a management system according to ISO 14001 to its possible extent. Furthermore, the Supplier shall comply with the basic principles of the UN Global Compact Initiative. These principles concern essentially the protection of international human rights, the right to tariff negotiations, the prevention of forced labour and child labour, the removal of discrimination and employment, the protection of human rights in the environment and the prevention of corruption. Further information on the UN’s Global Compact Initiative can be found at www.unglobalcompact.org.

(2) If the Supplier acts repeatedly and/or despite corresponding instructions illegally and fails to demonstrate that this breach of law has been remedied to the greatest extent possible and that adequate precautions have been taken to avoid future breaches, A-KAISER reserves the right to withdraw from existing contracts or to terminate them without notice.

(3) The Supplier guarantees that it has not promised or granted any gifts or provisions to any employees, authorised representatives, agents or representatives of A-KAISER and will not pay out any such emoluments. In the event of a breach, A-KAISER shall be entitled to terminate the contract without notice and to require that the Supplier compensate for any damage suffered by A-KAISER as a result of this breach and of the termination.

(4) The Supplier guarantees that itself and its contractors and subcontractors pay the legally regulated minimum wage respectively to all their respective employees at all times. If this provision is breached, the Supplier shall release A-KAISER from the claims of any third parties.

(5) If A-KAISER or the Supplier are corporations subject to Italian Law or the delivery is from or to Italy, the Supplier is required to comply in accordance with the provisions of Law Decrees 231/01 with regard to the form of organization, management and control. Violations may result in consequences ranging from the application of sanctions up to the termination of the contract.

§ 22 Hazardous substances and preparations

(1) Regarding goods and materials as well as procedures that must be treated separately, other provisions or because of their composition and their effects on the environment, the Supplier undertakes to follow thepls with regard to transport, packaging, labelling, storage, handling, processing and disposal, the terms and conditions of the country of production as well as the country of distribution must be followed strictly by the Supplier.

(2) In this respect, the Supplier shall provide A-KAISER with the necessary papers and documents before the order is confirmed.

(3) In particular, any hazardous substances and water-hazardous substances are allowed to be supplied only if an EC safety sheet has been provided and they have been approved by A-KAISER. If the requirements will change during the supply relationship, the
(3) The Supplier shall be liable to A-KAISER for any damages caused by a culpable neglect to comply with the so-far existing legal provisions.

(4) The Supplier is entitled to return any hazardous substances and water-hazardous substances used for testing purposes, to the Supplier free of charge.

(5) The Supplier shall ensure that the requirements of the EU REACH chemicals regulation (Regulation(EG) No. 1907/2006 of 30/12/2006) – hereinafter designated “REACH” – are met, particularly that all preregistrations and registrations are done in due time. A-KAISER is not obliged under any circumstances to carry out pre-registration. The Supplier is aware that the products may not be used unless the stipulations of REACH have been met properly and in their entirety.

(6) The component parts (heavy metals) addressed by the EU ELV Directive (ELV – End-of-Life Vehicles) must be integrated into the IMDS database by the Supplier at its own expense and thereby they will be considered as declared.

(7) Based on the EU ELV Directive, the Supplier is obliged to ensure the following:
   i. a component-based system for drainage and disposal of toxic substances must be devised and conveyed;
   ii. the VDA 260 labelling standard for tools and components must be observed;
   iii. a concept for the realisation of selected supplier parts must be provided after coordination with A-KAISER;
   iv. a proportion of recycled material as high as possible and sustainable raw materials should be used after coordination with A-KAISER.

(8) For the fulfilment of its contractual obligations, the Supplier must comply with all legal and official regulations with regard to the protection of the environment.

(9) The Supplier shall release A-KAISER completely from any consequences, particularly damages of A-KAISER, and claims from third parties towards A-KAISER resulting from any culpable failure by the Supplier to comply at all, completely or in due time with provisions i) – iv) as afore-mentioned.

§ 23 Set-off, assignment

(1) A-KAISER shall have compensation and retention rights to the extent granted by law. TheSupplier is not entitled to assign its claims against A-KAISER to third parties.

(2) The Supplier may not use one or more subcontractors to fulfil an order or part of an order without the prior written permission of A-KAISER.

(3) The Supplier may not relinquish or convey any purchase order or the contract, neither wholly nor partly, without the prior written permission of A-KAISER.

§ 24 Retention of title

(1) Property in the goods shall pass to A-KAISER once the complete purchase price has been paid. Any extended or broadened retention of title or current account reservation by the Supplier with respect to the delivered goods is excluded.

(2) All parts, raw materials, tools, materials or other devices or items provided by A-KAISER or acquired by the Supplier at the expense of A-KAISER (and whose procurement costs are repaid by A-KAISER or are incorporated into the prices payable for the products and which have been completely paid) and connected to the manufacture or used for the manufacture of the products, shall remain or become the sole property of A-KAISER. Furthermore, all rights to any drafts, samples, Illustrations, data, models or other information and documents conceded by A-KAISER shall remain vested in A-KAISER. The Supplier explicitly agrees that property of A-KAISER or documents of A-KAISER may not be used for the manufacture or construction of products for third-party customers without the prior written permission of A-KAISER.

(3) The Supplier holds any property and documentation of A-KAISER purely on loan and shall keep it separately from any property of other persons, and all A-KAISER property and A-KAISER documents must be clearly designated as property of A-KAISER. The Supplier guarantees that any parts, raw materials, tools, materials or other devices or items provided by A-KAISER for machining, will not be mixed in with other parts. The Supplier also guarantees that the parts delivered for machining will not be mixed in with other parts delivered by A-KAISER for machining.

(4) The Supplier is liable for any loss or damage of A-KAISER property. A-KAISER must be informed immediately in written form in the event of any loss or damage of A-KAISER property. The Supplier is obliged to insure A-KAISER property at its own expense at its replacement value against fire, water damage and theft as a minimum and to maintain these insurances. The Supplier must prove to A-KAISER upon request that these insurances exist. The Supplier must carry out all necessary maintenance works at the usual intervals and at its own expense. Any damages or disruptions must be notified to A-KAISER immediately.

(5) Insofar as A-KAISER provides the Supplier with products, raw materials or other materials (“goods”) for the manufacture of products, A-KAISER shall retain the property in those goods. The treatment/processing, conversion, incorporation or transformation of such goods by the Supplier shall be conducted for A-KAISER. If the goods subject to retention of title are processed together with other goods owned by A-KAISER, A-KAISER shall acquire the co-ownership of the new product in proportion of the value of the goods of A-KAISER (purchase price plus VAT) to the values of the other processed items at the time of processing.

(6) If the goods provided by A-KAISER will be combined or mixed inseparably with other items not owned by A-KAISER, A-KAISER shall obtain the co-ownership of the new product in proportion of the value of the retained goods (purchase price plus VAT) to the values of the other items combined or mixed in at the time of combination or mixing. If this combination or mixing occurs in such a manner that the items of the Supplier are considered the main item, it shall be arranged hereby that the Supplier shall concede the co-ownership pro rata to A-KAISER, the Supplier shall store and protect the exclusive ownership or co-ownership on behalf of A-KAISER.

(7) The Supplier is obliged to monitor the flow of goods starting from the delivery of the goods provided by A-KAISER up to the return shipment of the products to A-KAISER via accounting systems. Upon request by A-KAISER, the Supplier must provide this data immediately and free of charge.

§ 25 Place of performance, place of jurisdiction and choice of law

(1) The place of performance for the delivery obligations of the Supplier is the place of delivery or place of usage respectively stated by A-KAISER. The place of performance for the payment obligations of A-KAISER is the respective registered office of that company which has assumed this contractual obligation.

(2) The provisions of this contract are solely governed by German law, to the exclusion of any conflict of laws and the UN Convention on the Sale of Goods (CISG).

(3) If the application of another legal system is stipulated by an individual legal agreement, this agreement shall apply with regard to that legal system. Apart from this, these terms and conditions of purchasing shall continue to apply.

(4) The place of jurisdiction regarding any legal disputes arising directly or indirectly from contractual relations based on these terms and conditions of purchasing, is the place of the registered office of A-KAISER, however, by choice of A-KAISER, a different place of jurisdiction permitted by law can be determined.

(5) Any reference to “statutory provisions” in this document refers to the current statutory provisions; if no law applies directly to the circumstance, the general statutory provisions shall apply.

§ 26 Miscellaneous provisions

(1) If any of the above-mentioned provisions should be or become invalid or unenforceable, the legal validity of the remaining provisions will not be affected by this. In place of the invalid or unenforceable provision, such a provision shall be declared as contractually void without the legal permitted framework to that what have been intended by the contracting parties according to the original meaning and purpose of the invalid or unenforceable provision. The same shall apply to any loopholes in the contract.

(2) These terms and conditions of purchasing are available in several languages. In the case of discrepancies between the translated versions and the German version, the German version overrides the translated versions.