

## **I. General Information**

For legal relations between the supplier and the Götze Group,  
consisting of

- GKT Gräfenthaler Kunststofftechnik GmbH,  
Coburger Str. 56-58, 98743 Gräfenthal (GKT),
- NK Neuhauser Kunststoff GmbH,  
Waldweg 22, 98724 Neuhaus/Rwg. (NK),
- PPF GmbH & Co. KG Leipzig,  
Breslauer Str. 17-19, 04299 Leipzig (PPF),
- Zittauer Kunststoff GmbH,  
Dittelsdorfer Straße 15, 02763 Zittau (ZiK),

each represented by its respective management within the company

the following General Purchasing Terms and Conditions of Götze Group shall apply. Any terms and conditions and deviating agreements of the supplier shall only apply if Götze Group has explicitly acknowledged them in writing. Neither the silence of the Götze Group, nor the acceptance of the service, nor its payment shall be considered acknowledgement.

## **II. Contract conclusion and contract amendments**

1. Individual contracts for Deliveries or Services as well as any amendments, side agreements, or termination agreements, as well as other declarations and notifications must be made in text form, unless otherwise stipulated in these General Purchasing Terms and Conditions. If the supplier does not accept an order within two weeks of receipt, the Götze Group is entitled to revoke the order at any time.

2. In the case of delivery of goods, the relevant Quality Assurance Agreement as well as the Dispatch and Transport Regulations of the Götze Group as amended from time to time may form part of this contract. The documents will be made available to the supplier upon request.

3. The supplier is aware that the companies of the Götze Group are primarily active as automotive suppliers and within the framework of the relevant contracts with end customers are regularly obliged to apply to relevant provisions along the complete supply chain, including the supplier's controlled by end customers, to communicate their content and to guarantee their implementation.

Therefore the parties agree on the priority and full applicability of such provisions, as far as they are applicable for the relevant contractual relationship - in such a way that provision in contracts of Götze Group with the end customers shall apply accordingly - e.g. in such a way that deliveries or services, which are subject to these General Purchasing Terms and Conditions, must meet the same quality and all other requirements agreed in contracts between the Götze Group and its end customers, that the same conditions apply to the liability for defects as to quality and title as in contracts between the Götze Group and its end customers, and that the provisions therein shall apply generally, comprehensively and preferentially according to the contractual relationship between the Götze Group and the supplier. If necessary, the supplier will also independently inform them self about the existence and scope of such provisions (e.g. Formel Q, IATF 16949, etc.) and will receive complete copies of relevant documents on request.

### **III. Scope of Deliveries and Services / Changes in Scope / Replacement / Subcontractors**

1. The supplier shall ensure that all data and circumstances relevant to fulfil its contractual duties and to meet the requirements for the intended use of deliveries by the Götze Group become known to them in good time. Any offers to Götze Group are at no charge. Before submitting offers, the supplier ensures that they have carefully checked the local conditions and have obtained clarity through inspection of documents concerning the performance of the services as well as compliance with technical and other regulations.

The supplier shall examine any documents handed over with regard to the local conditions, correctness, feasibility, and if necessary, execution of preparatory work by third parties.

The supplier must without undue delay inform the Götze Group in writing of any concerns or reasoning and shall agree with the Götze Group on the continuation of work.

2. The Götze Group may, within reasonable limits, demand supplier change construction and design of delivery items. The supplier must implement such demanded changes in reasonable time. Any consequences, particularly with regard to additional or reduced costs, as well as delivery dates, shall be agreed mutually. If an agreement cannot be reached in reasonable time, the Götze Group may make their own decision at their own reasonable discretion.

3. The supplier shall bear the procurement risk for its services unless otherwise agreed in individual cases (e.g. limitation to stock). The supplier shall ensure that, in the case of delivery of production material, her can also supply the Götze Group with the delivery items or parts thereof as spare parts for a period of 15 years after termination of the supply relationship on reasonable terms.

4. The supplier may assign any contractual duties to subcontractors with prior written consent of the Götze Group only.

#### **IV. Prices / Payment Terms**

1. Agreed prices are fixed prices. Unless otherwise agreed, payments shall be made within 14 days with a 2% discount or within 30 days without deduction. The period begins upon receipt of the contractual service and a proper and verifiable invoice.

However if premature deliveries are accepted by the Götze Group, the period begins at the earliest with the delivery date actually agreed.

Invoices shall be submitted without carbon copies stating the order number, order item, supplier number, part number, quantity and unit price as well as quantity per delivery.

The supplier agrees to participate in a credit note procedure at the request of Götze Group.

2. The supplier is not entitled to assign claims to which they are entitled against the Götze Group or to have them collected by third parties. The regulations of § 354a HGB remains unaffected.

3. The supplier is only entitled to set off against claims of the Götze Group or to assert a right of retention if and insofar as their claim is undisputed or their counterclaim is legally binding. The Götze Group is also entitled to offset claims of the supplier against claims of a company affiliated with the Götze Group within the meaning of § 15 AktG. The Götze Group is also entitled to set off their own claims against claims to which the supplier is entitled against a company affiliated with the Götze Group within the meaning of § 15 AktG.

#### **V. Delivery conditions / official approvals / export control**

1. Deliveries shall be made DDP (Incoterms 2010) to the place designated by the Götze Group, unless otherwise specified, including packaging and preservation. Each delivery shall be notified to the Götze Group and the consignee designated by Götze Group on the shipping day.

A delivery note must be enclosed with each delivery. The delivery note must include the order, article and supplier number of the Götze Group.

The delivery time specified by the Götze Group in the order is binding. If a delivery time is not specified in the order and has not been agreed otherwise, it shall be 4 weeks from the conclusion of the contract.

The supplier shall immediately notify the Götze Group in writing of any recognizable delay in his performance, stating the reasons and the expected duration of the delay. The supplier may only refer to not to be responsible for the delay if the supplier obeyed the duty of notification.

If the supplier is in delay, the Götze Group may - in addition to any further statutory claims - demand for damage caused by the delay in the amount of 1% of the net price per completed calendar week, but in total not more than 5% of the net price of the goods delivered with delay as a liquidated damage. The Götze Group reserves the right to prove that higher damages have been

incurred. The supplier has the right to prove that no damage at all or only a significantly lower damage has been incurred.

If the supplier is in delay on delivery or fails to perform a delivery due to circumstances for which he is responsible, he shall be obliged to indemnify the Götze Group against any claims by third parties - in particular the purchasers of the end product - attributable thereto and to reimburse the Götze Group for any additional expenses incurred in procuring a replacement, even if the Götze Group's delivery obligations make it necessary to make use of material of a higher quality or with different specifications than the agreed delivery item and if higher transport costs are incurred for the delivery (e.g. by means of express shipping). Liquidated damages shall be credited.

2. If necessary, the supplier shall inform the Götze Group about the necessary official permits and notification requirements for the import and use of the delivery items.

3. For deliveries from preferential countries, the supplier shall enclose the proof of preference with each delivery.

The long-term supplier declaration as a result of the amendment of Article 62 of the EU Implementing Regulation 2015/2447 (UZK-IA) with effect from June 14, 2017 (Official Journal of the European Union No. L/149 dated June 13, 2017) must be submitted once a year.

Furthermore, the supplier is obliged to comply with the relevant export control regulations and to notify the Götze Group, without being requested to do so, of the export control marking of the delivery items, in particular in accordance with EU and US law, in written form at the latest with the delivery.

## **VI. Acceptance of work services**

1. An acceptance of work service shall take place formally after completion of work services by the Götze Group in countersigning an acceptance protocol.

In the case that work services cannot be checked and inspected later, due to further execution, the supplier must request the Götze Group to inspect these work services in writing in a timely manner.

An acceptance fiction by silence on an acceptance request of the supplier, by payment or by actual use is excluded.

2. Governmental prescribed acceptance tests of any kind, in particular acceptance tests by recognized experts, must be carried out by the supplier before the performance or acceptance of the work services by Götze Group at their own expense, unless this performance is expressly excluded from the scope of performance. Official certificates of freedom from defects and any official acceptances must be submitted to Götze Group in a timely manner before acceptance of the work service by the Götze Group.

## **VII. Confidentiality / Information**

1. The supplier shall keep any information provided by the Götze Group (such as but not restricted to drawings, documents, knowledge, samples, means of production, models, data carriers etc.) secret, will not make them accessible to third parties (including subcontractors) without the prior written consent of Götze Group and will not use the information outline for other purposes than determined by the Götze Group. This also applies to any duplications.

This obligation does not apply to information of the Götze Group already known to supplier in a legitimate manner without breach of any confidentiality obligation at the time of receipt or which subsequently becomes known in a legitimate manner without breach of any confidentiality obligation, which - without any breach of confidentiality obligations by either party - is or becomes generally known or if the supplier has been given a prior written permission for using the information otherwise by the Götze Group.

The supplier may not advertise their business relationship with the Götze Group without the prior written consent of the Götze Group.

2. The Götze Group reserves the ownership and all other rights (e.g. but not restricted to copyrights) to the information provided by the Götze Group.

Copies or reproductions may only be made with the prior written consent of the Götze Group.

Copies or reproductions become the property of the Götze Group at the time of creation. It is hereby acknowledged by the supplier and agreed to by the Götze Group that the supplier shall keep the copies safe for the Götze Group.

The supplier has to carefully preserve, maintain and ensure the documents and objects made available to them as well as copies or reproductions thereof at their own expense and to surrender or destroy them at any time at the request of the Götze Group.

The supplier has no right of retention for any reason whatsoever. The complete return or destruction must be ensured in writing.

3. For any breach of obligations stipulated in clause VII.1 a contractual penalty of € 25,000 shall become due immediately for each case of breach.

The supplier reserves the right to have the appropriateness of the amount of the contractual penalty determined by a court.

Any contractual penalties paid shall be set off against claims for damages.

## **VIII. Quality management**

The supplier shall constantly monitor the quality of their services. Before the respective delivery of delivery items, the supplier shall ensure that the delivery items intended for delivery are free of defects and comply with the agreed technical requirements. The supplier shall assure this to the Götze Group in writing.

## **IX. Liability for Defects / Reimbursement of Expenses / Time Period / Indemnification**

1. The Götze Group shall only inspect incoming goods with regard to recognizable damages and deviations visible from outside in identity and quantity. The Götze Group shall notify of such defects immediately. Furthermore, Götze Group may give notice of defects as soon as they are discovered in orderly business processes. In this respect, the supplier waives the objection of late notification of defects.

2. If delivery items are defective, claims of Götze Group shall be based on the statutory provisions, insofar as nothing to the contrary results from the following provisions. In case of danger to operational safety of the Götze Group, in case of danger of unusually high damages or in order to maintain the ability of the Götze Group to deliver to its customers, the Götze Group may, after informing the supplier, carry out works to eliminate or avoid defects by itself or have it carried out by third parties. Any costs arising shall be borne by the supplier.

3 If the supplier makes use of third parties for the provision of services (“Erfüllungsgehilfe”), the supplier shall be held liable for them to the same extent as they are liable for their own such faults.

4. Unless a longer limitation period based on the statutory provisions applies, the supplier shall be liable for defects which occur within 36 months of receipt of the delivery by Götze Group or of acceptance (if such is stipulated by law or contract). In the event of subsequent performance, the period shall be extended equal to the amount of time during which the delivery item cannot be used in accordance with the contract. The same periods shall apply to subsequent performance. The statute of limitations for claims due to defects shall commence, at the earliest, two months after the claims of the end customer have been fulfilled, but shall end at the latest 5 years after delivery to the Götze Group.

5. The supplier has to indemnify and hold the Götze Group innocent from any possible existing claims of third parties in case of defects of title, unless they are not responsible for the defect of title. The Supplier shall indemnify the Götze Group against claims of third parties based on ability under the German Product Liability Act (ProdHG) if and insofar as the damage was caused by a defect in the delivery item of the supplier. The claim for indemnification shall apply to the extent that Supplier has to be liable directly. In the case of fault-based liability, the obligation to indemnify shall only apply if the supplier is at fault.

## **X. Execution of work on Götze Group company premises**

1. For all services on the Götze Group company premises, the "Rules and Regulations for External Companies" („Betriebsordnung für Fremdfirmen“) shall apply, which shall be made available to the supplier upon request. The supplier shall follow the instructions of the Götze Group.
2. The supplier is forbidden to use persons who are employed at Götze Group or were employed during the last 6 months at Götze Group on Götze Group locations in order to fulfil their contractual obligations, without the prior written consent of the Götze Group.

## **XI. Provision**

Materials, parts, containers, special packaging, tools, measuring instruments, etc. (provisions) provided by the Götze Group remain the property of Götze Group. In case of processing, combining or mixing of materials provided, the Götze Group shall receive co-ownership of a new product in the ratio of the value of the material provided to the value of the total product. The supplier has no right of retention, for any reason whatsoever, on provisions of the Götze Group.

## **XII. Tools**

Irrespective of other agreements, the Götze Group receives full or co-ownership to the extent that the Götze Group participates in the verified costs for tools for the production of delivery items. These tools become the (co-) property of the Götze Gruppe upon payment. They remain on loan to the supplier. The supplier is only entitled, with the approval of the Götze Group, to legitimately or legally dispose of the tools, to relocate them, or to make tools permanently non-functional. The tools are to be marked by the supplier as (co-) property of the Götze Group. The supplier bears the costs for maintenance, repair and replacement of the tools. Replacement tools are the property of the Götze Group in proportion to the share of the Götze Group of the original tool. In case of co-ownership of a tool, the Götze Group has a pre-emptive right to the co-ownership share of the supplier. The supplier has to use tools which are (co-) owned by the Götze Group exclusively for the production of the delivery items for the Götze Group. Upon completion of delivery, the supplier must return the tools to Götze Group immediately upon request. In the case of co-owned tools, the Götze Group has to reimburse the supplier for the current value of the co-ownership share after receipt of the tool. Under no circumstances shall the supplier be entitled to a right of retention. The supplier shall also be obliged to hand over tools in the event of an insolvency application against them or in the event of a long-term interruption in delivery. The supplier must ensure the tool to the extent agreed and, if no agreement has been made, to the extent customary.

### **XIII Software**

To the extent non-standard software is included in the scope of delivery, the supplier agrees, for a period of 5 years from delivery of the delivery item, to make changes/improvements to the software in accordance with the specifications of the Götze Group against reasonable reimbursement of costs. Insofar as the software comes from sub-suppliers, the supplier will obligate them accordingly.

### **XIV. Force Majeure / Longer-term interruption in delivery**

1. Natural disasters, riots, official measures and other unforeseeable and unavoidable events shall release Supplier and Götze Group from their performance obligations for the duration of the interruption and to the extent of its effect. The respective contracting party shall immediately inform the other contracting party comprehensively and perform every reasonable action to limit the impact of such interruption. The respective contracting party shall inform the other contracting party immediately of the end of such an interruption.

2. In the event of a long-term interruption in delivery, suspension of payments, the opening of insolvency proceedings, the rejection of the opening of such proceedings for lack of assets, or the initiation of comparable proceedings against one of the contracting parties, the other contracting party shall be entitled to withdraw from the contract with respect to the part not yet performed. If the supplier is affected by one of the above events, they shall support the Götze Group to the best of their ability in transferring the production of delivery items to a company of the Götze Group or a third party, including the licensing of industrial property rights necessary for production conditions customary in the industry.

### **XV. Compliance with anti-corruption and anti-trust law**

1. The supplier guarantees not to commit any acts or omissions which, irrespective of the form of participation, could lead to an administrative or criminal punishment, particularly for corruption or violation by the supplier, by persons employed by the supplier or by third parties commissioned by the supplier of anti-trust and competition laws (hereinafter referred to as "violation"). The supplier shall be responsible for taking appropriate measures to avoid violations. In particular, the supplier shall obligate persons employed by the supplier or third parties commissioned by the supplier to do so.

2. The supplier undertakes, upon written request of the Götze Group, to inform of the aforementioned measures, particularly of their content and implementation status. Upon written request of the Götze Group, the supplier is to completely and truthfully answer a questionnaire provided by the Götze Group once every three calendar years with the purpose of self-disclosure and to make documents related thereto available to the Götze Group.

3. The supplier shall immediately inform the Götze Group about the initiation of official investigation procedures regarding to violations. Furthermore, the Götze Group is entitled, if there are indications of a violation by the supplier, to demand written information about the violation and the measures taken to remedy and avoid it in future.

4. In the event of a violation, the Götze Group is entitled to demand from the supplier an immediate cease and desist and to demand compensation for all damages to the Götze Group caused by the violation.

## **XVI. General provisions**

1. The place of performance for deliveries and services shall be the destination specified by the Götze Group.

2. The contractual relationship shall be governed by German law. The Conflict-of-law rule and the United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply. The place of jurisdiction is the seat of the relevant ordering company of the Götze Group, subject to a deviating exclusive place of jurisdiction. The Götze Group is, however, also entitled to sue the Supplier at another competent court.

3. If the contract or these General Purchasing Terms and Conditions contain loopholes, those legally effective provisions shall be deemed to have been agreed upon by the contracting parties according to the economic objectives of the contract and the purpose of these General Purchasing Terms and Conditions had they been aware of the loophole. Should any provision be or become invalid, this shall not affect the validity of the remaining provisions