

General Terms and Conditions of Purchase (GTCP) of “Bilstein & Siekermann GmbH + Co. KG” (hereinafter: “BSH”)

1. Scope of Application:

1.1 These GTCP apply now and in the future and exclusively for any initiation and execution of our business relations to a supplier of goods or services. We hereby object to any contravening or deviating supplier’s terms and conditions. These shall be excluded without exception, unless we have laid out in detail or expressly confirmed such contravening or deviating terms and conditions. These GTCP are available for download at www.bsh-vs.de in their currently valid version, or they can be sent upon written request.

1.2 According to article 23 EuGVVO (European Jurisdiction and Enforcement Regulation), as well as article 8 CISG (UN Sales Law), these GTCP shall be submitted to any supplier in cross-border trade as a stand-alone document applying to the entire business relationship. In the cross-border business relationship Section 21 applies.

1.3 These GTCP remain subject to modifications. The authoritative version of these GTCP governing the supply relationship shall be the one valid at the time the order was placed.

2. Basic principles for the supply of products:

2.1 BSH is obliged to deliver secure products free of faults. The statutory obligation to avoid errors in all phases of the entire value-added chain shall therefore be equally binding for every supplier or service provider.

2.2 With direct legal effect, the commercial basis of every supply relationship shall always include the validity of product-specific regulations which apply on an international scale or throughout the industry and regulate product development and quality assurance. Harmonisation legislation and conformity assessment procedures as well as all provisions of the legislation on product safety of the European Union shall serve as basic rules and apply directly.

2.3 Definitions used in other applicable laws, regulations and standards shall always take precedence over any other interpretation unless otherwise agreed to in writing.

3. Delivery item:

3.1 The supplier shall professionally evaluate the product requirements set up by BSH and shall point to its concerns, providing suggestions for modifications. Following consultations with BSH, the supplier shall confirm its ability and readiness to deliver by way of a written manufacturability and feasibility analysis.

3.2 The agreed-upon quality of the product to be delivered shall be determined by the initial sample inspection report and its relevant documents. Particular characteristics determined therein by BSH or the supplier shall represent distinct guarantees concerning the nature and lifespan of products.

3.3 BSH's release of goods to be delivered is based on the supplier's declaration of contract conformity of the product supplied on the grounds of the ISIR submitted. It does not represent any legally binding declaration of consent or approval by BSH. The supplier's sole product responsibility shall remain unaffected by the release.

3.4 The supplier undertakes to carry out a documented goods departure inspection. For this purpose, BSH may prescribe the scope, method and means of inspection as well as the documentation required. The supplier's documentation including acceptance test certificates required by BSH according to EN 10204 3.1 or 3.2 shall serve as evidence for the incoming goods inspection at BSH. These represent proof of quality relevant for BSH's customers.

3.5 The supplier alone undertakes to execute deliveries and services. Any subcontracting of third parties requires BSH's written consent. Any services provided by subcontractors shall be deemed as services provided by the supplier. Any subcontractor acts always as a vicarious agent on behalf of the supplier. Throughout the process, the supplier shall verify the products procured to ensure their aptitude for the product owed by the supplier, documenting the respective inspection results. These GTCP shall apply whenever the supplier or subcontractor are suppliers as determined by BSH's customer (directed parts suppliers).

3.6 BSH shall be entitled to demand modifications to the delivery item or the production process, including test equipment and methods, at any time. Any resulting increase or decrease in costs shall be mutually agreed upon. In implementing modifications, the supplier cannot depend on a prior conclusion of such agreement.

4. Delivery:

4.1 Deliveries shall be executed on the basis of logistical agreements with the supplier. In particular, these regulate supply scopes, obligatory call sequences, places and methods of delivery (e.g. "ex work", DDP, Incoterms 2010), means and ways of transport as well as packaging. Delivery shall only be deemed to have been made according to the contract if the documents agreed upon or required by law including the customs documents necessary for cross-border trade (including the supplier's long-term declaration according to the EU regulation 1207/2001 and all documents according to the current customs code) have been attached completely, timely and correctly or if they have been submitted by the supplier in such a manner.

4.2 BSH is an authorised economic operator (AEO). Therefore, the supplier shall provide BSH with all resulting information requested by BSH and required to fulfil the AEO certification, including, but not limited to, sanctions lists, information regarding dual use regulations or conflicting minerals. The supplier shall not be entitled to refuse performance.

4.3 Partial performances shall not be permissible. Should partial performances be accepted, statutory claims on the part of BSH shall remain unaffected.

4.4 Delivery dates indicated are goods receipt dates at BSH; not supplier's dispatch dates. Goods receipt dates at BSH must be confirmed by the supplier as binding. The statements "under usual reserve", "probable" and / or "roughly" are not admissible.

5. Default in delivery:

5.1 Any non-compliance with agreed upon delivery dates, delivery deadlines or scopes shall constitute the supplier's default. Any problems in raw material supply or in the purchase of materials of any kind which affect the supplier shall only relieve the supplier in cases of Force Majeur. Without prejudice to all of BSH's statutory claims, the supplier must, without delay, inform BSH of any impending impairment of a delivery as well as measures for avoidance and minimisation of damages due to delay.

5.2 The supplier shall give evidence of the organisation of emergency plans and the maintenance of their effectiveness for each impending delivery disturbance as well as for the cases of Force Majeur (see section 15). On the basis of the information given by the supplier, BSH shall be entitled to implement, at its own discretion, any of its own measures of harm reduction including covering purchase. Any expenses and costs incurred on the part of BSH by a delivery delay caused by the supplier shall be borne by the supplier, insofar as the supplier is held responsible.

6. Goods receipt inspection:

6.1 BSH shall carry out a goods receipt inspection according to section 377 of the German Commercial Code (HGB) regarding identity, quantity, and any obvious transport damages. In the case of any deficiencies being detected, BSH will lodge a complaint without delay, i.e. within 5 working days at the latest.

6.2 In the case of any deficiency which can only be detected by BSH in the course of the process, i.e. in the usual course of business, for example due to packaging or particularities of the containers, BSH will lodge a complaint without delay, i.e. at the latest within 5 working days after their detection.

6.3 Any deficiencies which can only be detected by BSH in the course of further processing or in BSH's customer's production process, in particular because of characteristics relating to the product, production process or function, shall represent concealed defects. After their detection, BSH must file a respective complaint without delay, i.e. at the latest within 5 working days after their detection. In the case of deficiencies which become known to BSH because of a client's complaint, BSH must file its complaint without delay, at the latest 5 working days after the customer lodged their complaint with BSH. The deadlines for lodging complaints shall be reasonably extended if sufficient evidence for allocating the defect's root cause to the supplier can only be produced on the basis of investigation. Should BSH file enquiries with the supplier within the scope of such investigations this shall be equivalent to a defect complaint.

In all cases according to section 6 of these GTCP the deadlines stated therein customarily take into account the mutual interests in the respective value-added chain as being in accordance with the contract. Any objection to a delayed formal complaint meeting the said deadlines shall therefore be waived for all cases following section 377 of the German Commercial Code (HGB).

7. Payment:

7.1 Payment shall be effected after the contractual execution of the delivery (receipt of goods at BSH) or services and after submitting complete and auditable invoices within 14 days with 3 % discount or up to 30 days net by remittance. Invoices are to be sent on the date of dispatch of the goods. The periods for payment shall commence upon receipt of the invoices.

7.2 In case of defective delivery BSH shall be entitled to withhold payment of the invoice proportionately to its value until the performance due has been properly completed. If and insofar as payments for defective deliveries have already been effected, BSH shall have the right to withhold other due payments resulting from the entire business relation with the supplier up to the amount of such sums already paid.

7.3 Payments do not represent any waiver of claims nor any recognition of counterclaims of any kind on the part of BSH.

7.4 Without BSH's prior written consent, which may not be unreasonably refused, the supplier shall not be entitled to assign its claims against BSH to anyone or to have them collected by any third parties. In the case of an extended reservation of title, consent shall be considered to be given. Should the supplier assign its claims against BSH to a third party without BSH's consent, BSH may render performance to that third party thereby discharging its obligations.

8. Quality management system:

8.1 During the business relation with BSH, the supplier must maintain a certified and effective quality management system (QMS) according to IATF16949:2016 or equivalent, at least according to DIN EN ISO 9001 in the version valid at the time the order is placed. The proof of effectiveness of the the QMS for automotive products must meet the requirements for the production's accordance required by law. In any official measures, the supplier shall fulfil its obligations to report, give information and cooperate concerning the inspection of the production's accordance regarding vehicles in which its products are incorporated, both towards BSH and towards authorities without delay. This also applies when such official measures are taken on occasions of inspection and checks concerning the verification of vehicles to ensure that these meet the legally prescribed standards during operation.

8.2 Moreover, the supplier's quality management system must be fit to fulfil the conditions of conformity assessment to be entitled to carry the CE mark according to union law (presumption of conformity with union law) if BSH is to provide its customers with respective evidence.

8.3 The supplier shall notify us without undue delay about any expiry, limitation or withdrawal of the certificate. The supplier allows BSH to demand the auditing as well as measures for an annual re-qualification.

8.4 BSH may require the conclusion of a quality assurance agreement.

Any modification of the supplier's products or the production processes must be mutually agreed upon. It must be documented in a parts life cycle or an equivalent document ensuring the maturity level signed by BSH and the supplier. The parts life cycle shall be the relevant document for the currently applying agreement status regarding the nature of the product. On BSH's request, the supplier shall

disclose all documents generated within the scope of product realisation and submit them to BSH. Should this submission be precluded by compelling reasons for keeping justified trade secrets, BSH may demand the documents to be handed over to a third party committed to professional secrecy and thus demand evaluation for BSH.

9. Traceability:

The supplier shall ensure the traceability of the products it supplies, including all materials, products and services procured. The labelling of products must be agreed upon with BSH for each individual case. It must be suitable to guarantee the traceability along the further supply chain up to the end customer. On BSH's request, the supplier shall provide its documentation generated to that purpose. In this regard, any right to refuse performance on the part of the supplier shall be excluded.

10. Liability for material defects (warranty):

10.1 Any deviation from the product nature agreed upon for a delivery item, including the missing, faultiness or incompleteness of applicable commercial or technical documents according to these GTCP shall be deemed as a material defect. BSH is entitled to make statutory claims on the grounds of liability for material defects.

10.2 Should the supplier not be willing or capable to carry out the subsequent fulfilment demanded by BSH, or should it not do so after BSH has set a reasonable deadline, BSH shall be entitled, after informing the supplier in writing, at its own discretion, to execute the required subsequent fulfilment itself or through third parties or to have it executed. In the case of execution by BSH itself or through third parties, the supplier shall be obliged to cooperate at its own expense as another kind of subsequent fulfilment according to section 439 paragraph 3 of the German Civil Code (BGB), as long as this is reasonable. Whether this can be deemed reasonable shall be determined by section 314 paragraph 1 of the German Civil Code (BGB). The supplier then shall not have the right to further defence according to section 439 paragraph 3 of the German Civil Code (BGB).

10.3 This also applies when BSH fulfils its own obligation to perform subsequently for third parties because of a material defect caused by the supplier.

10.4 In the case of material defects, the supplier shall compensate BSH for costs caused by this, including the costs for transportation, inspection, auditing, installation and dismantling as well as for all related or resulting expenses. This also applies to costs and expenses to be paid insofar as third parties may make claims from liability for material defects against BSH. The supplier reserves the right to raise an objection of contributory negligence on the part of BSH as well as the objection of less causal costs.

Any claims arising from another violation of duty, in particular from violations of duties resulting from regulations serving defect prevention, or from independent advice, shall remain unaffected by any claims arising from material defects liability.

10.5 Claims arising from material defects liability shall become time-barred 24 months after the initial registration of the vehicle or the installation of spare parts, and 30 months after delivery to BSH at the latest, unless longer deadlines have been prescribed by law. If BSH informs the supplier of longer

warranty periods that are either agreed upon with BSH's customer or based on legal regulations, these shall apply unless the supplier objects to the extension within eight working days after receipt of the respective notification.

10.6 The supplier cannot invoke the expiry of limitation periods if, after expiry of such limitation periods, defects which result from the performance of vehicles in operation are detected by authorities within the scope of market surveillance activities (for example according to EU directive 765/2008) and must be fixed according to legal regulations following the instructions of authorities.

10.7 Upon receipt of BSH's request for subsequent fulfilment which sets a deadline for the supplier, request for a position statement concerning the material defect about which a complaint has been lodged, notification of market surveillance activities according to 10.6, or with the request to begin an 8D report, the limitation period shall, without prejudice to applicable legal provisions, be otherwise suspended.

10.8 The restrictions of claims arising from material defects liability and their prerequisites, in particular the conditions for the setting of deadlines, shall not apply when and insofar as UN sales law applies to the supply relationship.

11. Liability:

11.1 If claims are made against BSH because of a violation of a duty existing towards BSH for which the supplier can be held responsible, the supplier shall compensate BSH for every damage and all causal expenses incurred by BSH, in particular for the detection of the damage including all corrective and defensive measures.

11.2 If claims are made against BSH by third parties based on producer liability with or without fault, the supplier shall indemnify BSH from all claims and compensate it for causal costs and expenses, insofar as such damages or costs result from the supplier's deliveries or services and for which the supplier can be held responsible for their cause. Should faulty products belong to a batch with a noticeable frequency of errors, not every single product must be proven faulty in order to make claims for compensation as well as claims for a sustainable removal of the risk potential arising from the products of a defined supply scope. BSH shall inform the supplier about the claims made. The supplier shall give BSH all information and documents considered necessary by BSH, in particular for detecting the cause of the damage, for damage mitigation, for countermeasures or for the pursuit of its rights. The supplier shall support BSH in its defence against such claims. For that purpose, BSH and the supplier shall come to an agreement and exchange information. The supplier shall not have the right to refuse performance. The supplier reserves the right to raise an objection of contributory negligence on the part of BSH as well as the objection of less causal costs. Any arrangements which could be at the expense of the supplier or at BSH's expense will only be concluded by BSH and the supplier after mutual consultation.

11.3 The supplier shall be obliged to prove to BSH the conclusion and existence of an extended product liability insurance including coverage for costs of recall actions as well as installation and dismantling costs and preliminary costs, the amounts of which must be agreed upon as reasonable sums per case of damage.

12. Property rights:

12.1 In placing an order with the supplier, no property rights pertaining to BSH shall be assigned to the supplier, nor shall any rights be given to use or exploit any kind of information or documentation provided. Insofar as property rights pertaining to the supplier's deliveries and services exist, including software, the supplier shall inform BSH accordingly. BSH shall be irrevocably entitled, without limitation, though not exclusively, to use and exploit the property rights worldwide regarding their usage and further utilization by BSH's customers. The relevant remuneration is included in the product price. Should any property right arise from the supply relationship, a separate agreement is to be concluded to that respect.

12.2 The supplier shall ensure that no third party's property rights are violated by its supplies and services. In the case that a third party's property rights are violated, the supplier must undertake to ensure that, through an agreement with the owner of the property rights, BSH's free and unlimited usage and exploitation shall be guaranteed. Alternatively, the supplier shall modify its supplies and services by mutual agreement with BSH, so that any violation of a third party's property rights is excluded.

12.3 Should any claims be made against BSH because of a violation of property rights caused by the use of the supplier's deliveries and services, the supplier shall indemnify BSH from all such claims and resulting costs or reimburse BSH for any costs it may prove to have spent. This shall not apply if BSH alone can be held responsible for the violation of property rights. Apart from that, the supplier reserves the right to raise an objection of contributory negligence on the part of BSH as well as the objection of less causal costs.

13. Tools and means of production provided:

13.1 Any kind of means of production, such as e.g. samples, drawings, models, tools, regulations, software etc. that BSH provides the supplier with, shall remain BSH's property. These shall be marked as such in a clear and indestructible manner. Any means of production procured or produced by the supplier and paid for by BSH or amortised through the parts price, shall be BSH's property upon procurement or production. The transfer of means of production (transfer of ownership) to BSH shall be replaced by the temporary loan of the means of production and the related retention obligation on the part of the supplier. The supplier's further related duties are regulated in the BSH tool loan agreement.

13.2 These means of production may exclusively be used for the purpose of fulfilling the contract for BSH. BSH shall be entitled to demand the surrender of the production means at any time. Unless otherwise agreed, any repair and maintenance costs, as well as operating costs including wear parts, shall be borne by the supplier.

13.3 The supplier shall inform BSH immediately of any third party access to BSH's means of production, regardless of which legal reason, and grant any support to ward off any third party access.

13.4 The supplier must take out insurance for the original value of these objects, including natural hazards. Within four weeks after concluding the contract, he shall provide evidence of this insurance and its existence throughout the term of the supply relationship. This evidence shall be a prerequisite

for payment of all of the supplier's claims for remuneration. The supplier shall instruct the insurer to provide all insurance services to BSH exclusively.

14. Environment - hazardous substances:

14.1 The supplier shall prove to have and maintain a certified environmental management system in accordance with ISO 14001.

14.2 The supplier shall declare all substances and their ingredients in accordance with IMDS and incorporate them into the respective documents. No forbidden substances may be used. A persistent supervision of all provisions applicable worldwide must be ensured by the supplier, for example through the "Global Automotive Declarable Substances List GADSL", www.gadsl.org.

15. Force majeure:

15.1 In particular, cases of force majeure are natural disasters, fire, revolt, acts of terror, measures taken by higher authorities, labour disputes including strikes and lockouts or embargos. The supplier shall inform BSH of any case of force majeure without undue delay. For the duration of the event, the contractual party concerned shall be released from its duty to perform, insofar as the performance is affected by the event of force majeure. Nevertheless, the supplier shall be obliged to take all measures to maintain BSH's supply and to guarantee the procurement of cover-up deliveries at his own expense. BSH shall remain entitled to take all measures to ward off the consequences of force majeure at its own discretion. The provisions of section 5 of these GTCP shall remain unaffected.

15.2 The supplier must prove to BSH that it has made effective emergency plans for cases of force majeure and other events which might affect its capacity to supply BSH.

15.3 Section 206 of the German Civil Code BGB (Default in cases of force majeure) shall not apply.

16. Termination of contract:

Unless otherwise agreed to in other arrangements, BSH shall be entitled to terminate existing supply agreements entirely or in part, without notice:

- a.) In the case of imminent or filed insolvency of the supplier.
- b.) In the case of the supplier's insufficient cooperation, despite a written reminder, in setting the specifications for the delivery item.
- c.) In the case of expiry, limitation or withdrawal of certification of the supplier's QMS
- d.) In the case of repeated improper performance of the agreed upon supplies and services or other essential violations of the contract despite warning
- e.) In the case of withdrawal of the order by BSH's customer In this case, BSH shall reimburse the supplier for the cost of materials which were procured by the supplier in fulfilment of the contract with BSH's approval and which cannot be used in any other way. BSH shall be entitled to pay for the supplier's material cost at cost price.
- f.) In the case of an essential change of shareholder rights or owners of the supplier's company (change of control), in particular in the case of a sale of assets or shares to one of BSH's competitors or when the change of shareholders is not tolerable to BSH.
- g.) In the case of violation of duties according to section 17 of these GTCP.

In addition to that, BSH and the supplier reserve the right to terminate for serious reasons.

17. IT security, storage:

17.1 The supplier must maintain an information security management system in accordance with DIN ISO/ IEC 27001 in its respective and applicable version. The supplier must document any security related incident (in particular hacker attacks, Trojan horses, viruses) in its IT system and inform BSH about them without undue delay. All incidents which have been published by the German Federal Office for Information Security (BSI) shall be considered as security related. Should the supplier not inform BSI respectively, it shall bear all resulting costs, including such costs which could have been deemed necessary by BSH for the warding off of such incidents. BSH and the supplier shall assess the possible effects of incidents on information security together and determine corrective measures. If corrective measures cannot be taken safely, BSH shall be entitled to discontinue any electronic commerce with the supplier. BSH shall be entitled to audit the effectiveness of the measures taken by the supplier within the scope of IT security, or to engage a third party bound by professional secrecy to audit the same.

17.2 Reference to section 20 is made.

17.3 The supplier shall store the documents of the ISTR as well as of every subsequent modification on suitable data storage media for at least 15 years. Any storage on any external server (cloud computing) requires BSH's prior approval. The supplier shall ensure the security of BSH's access to any external server. Upon request, these are to be surrendered to BSH, in particular in order to ward off warranty or product liability claims. The supplier shall not have the right to refuse performance.

18. Jurisdiction - contractual language:

18.1 Exclusive place of jurisdiction shall be the place where the competent district court for BSH is located. Contractual language is German. Place of fulfilment also for the subsequent fulfilment shall be the place of delivery stated by BSH or its affiliated company.

18.2 Any legal disputes exclusively on the grounds of a violation of confidentiality according to section 20 of these GTCP or on the grounds of any confidentiality agreement existing in connection with the supply relationship shall be settled exclusively by a three-member arbitration tribunal following the rules of the "German Institution for Arbitration (DIS)" at BSH's place of jurisdiction, unless otherwise agreed to in writing.

19. Choice of law:

19.1 The legal relations between BSH and the supplier shall be exclusively governed by German material and formal law. The UN sales law (United Nations Convention on Contracts for the International Sale of Goods – CISG) shall apply to any cross-border commerce.

19.2 Should any claims be made against BSH and/or the supplier by third parties according to a foreign law at a foreign place of jurisdiction, they shall be entitled, without prejudice to the choice of law and jurisdiction determined by these GTCP, to take all legal measures to assert their respective rights according to the law applying at such foreign place of jurisdiction. In the case of any

compensation or recourse claims resulting from such legal disputes, German law shall apply exclusively at the place of jurisdiction determined in the first paragraph.

20. Confidentiality:

20.1 All information exchanged, regardless of its nature and irrespective of the kind of transfer, documentation or storage, shall be confidential. Unless otherwise expressly agreed upon in writing, it may only be applied or used by the recipient in order to execute agreed business processes and to fulfil contractual agreements. BSH and the supplier will only distribute information to the extent necessary to fulfil the contract (need-to-know basis). In writing, they shall engage their employees as well as any third party they employ to fulfil the contract, regardless of the legal basis of such employment, to confidentiality even beyond the existence of the respective legal relation.

20.2 Any failure to report IT security related incidents shall be deemed as a violation of confidentiality.

21. General:

21.1 The contractual language is German. The contractual language is German. If in cross-border business another language is applied by mutual agreement, the English version of the United Nations Convention on Contracts for the International Sale of Goods – CISG shall prevail nonetheless. In the cross-border business relationship the English version of the United Nations Convention on Contracts for the International Sale of Goods – CISG shall prevail.

21.2 Any modifications, supplements, terminations and cancellations of contracts must be made in writing. The requirement of the written form shall not be replaced by the electronic form.

21.3 Should one of the provisions of these GTCP be or become ineffective, the other provisions shall remain unaffected by this. In the case of the ineffectiveness of one provision, BSH and the supplier shall cooperate in agreeing on an effective provision coming as close as possible to the original provision in legal in economical terms, unless BSH modifies these GTCP in a permitted form according to section 315 of the German Civil Code BGB.