

**ISRINGHAUSEN GmbH & Co. KG**  
**ISRINGHAUSEN-Ring 58**  
**32657 Lemgo**  
**Germany**  
**Local Court (Amtsgericht) Lemgo, 6 HRA 1276**



**General Terms And Conditions of Purchase Order**  
(07/2019)

**(1) General Terms**

1. Our orders are exclusively governed by these terms and conditions of purchase order. Any terms and conditions used by the Supplier will only apply if we have agreed to their applicability in writing, even if such terms and conditions are not inconsistent with our terms and conditions of purchase order.  
We are entitled to rescind any respective contract if the Supplier disagrees with these terms and conditions of purchase order.
2. Our terms and conditions of purchase order do only apply towards entrepreneurs.
3. Under existing contracts, any alteration of our terms and conditions of purchase order will be made known to the Supplier in writing. They are deemed assented to unless the Supplier disagrees in writing. We will separately advise the Supplier of this consequence when making such modification known to it. Any such disagreement must be received by us within one month of the date on which the Supplier has received our notice of any such modification.
4. The language of any respective contract is German.

**(2) Order**

1. Orders are only made in writing. The writing requirement is also met if an order is placed by means of remote data transmission.  
Orders placed by word of mouth or by telephone will only take effect through our written acknowledgment. No modification of any specifications originally made by us will be effective unless confirmed by us in writing.
2. If the Supplier fails to express its disagreement with any respective order within 5 days, then that order is deemed to have been accepted.
3. We may demand changes to the construction and design of any respective delivery item to the extent the Supplier can reasonably be expected to comply with such a demand. The effects thereof, particularly with regard to cost increases or decreases and to delivery dates, shall be arranged amicably and reasonably.
4. Communications requirements shall be met in accordance with the EDI directives. EDI transmitted information has the same legal relevance as written statements.

**(3) Prices**

The agreed prices apply inclusive of packaging, freight, transport insurance until place of use or place of performance. Any sales tax and customs duty will be charged separately.

**(4) Payments**

1. Unless separately agreed, our payments are, at our choice, made either by bank transfer or by check, possibly in combination with a draft by which the check is refinanced. We can make payments to foreign countries either in euros or in the respective foreign currency.  
Payment is made within 90 days following the reception of the goods strictly net or on the 25<sup>th</sup> day of the month subsequent to the delivery after the goods have been received by us subject to a 3 percent cash discount.
2. Even if the date of payment is determined by the calendar, we will only come into default on it when we receive a dunning letter after the payment has become due.
3. Should we come into default on any payment, then the Supplier may charge us interest at a rate of 5% per year. We are reserved the right to prove a lesser default damage, the Supplier is reserved the right to prove a higher default damage.

**(5) Invoices, Delivery Notes, Dispatch Notes**

Invoice (single copy) and dispatch note shall be sent to us without being attached to the goods immediately after the dispatch has been effected. All invoices, dispatch notes, way-bills, test certifications, delivery notes, etc., shall always include the Isri order number and Isri delivery demand number, the Isri part number and part name, the quantity and references to enclosed documents (e.g., test certificates, factory certifications according to DIN 50 049.31, EN 10204, DIN 55350 part 18).

The remaining outstanding quantity shall be specified in any case of agreed upon partial shipments. In any case of a drop shipment delivery we must be notified hereof by a dispatch note. Any delivery shall itself be accompanied by a delivery note (in duplicate).

**(6) Delivery**

1. The Supplier knows that delayed deliveries may result in production downtimes at our facilities. The Supplier also knows that we make deliveries to our customers just in time so that delayed deliveries may result in considerable claims for damages and contractual penalties of our customers.
2. Whenever the Supplier realizes that agreed upon dates cannot be met, it shall give us notice hereof without culpable delay. The Supplier shall also subject its sub-suppliers to an equivalent obligation. In any case of delayed deliveries and delayed services by sub-suppliers, the Supplier will procure the required goods and services otherwise without culpable delay in order to meet the delivery dates and deadlines agreed upon with us.
3. If the Supplier fails to meet an agreed upon delivery date, it will come into default without a dunning letter.  
Subsequent to any occurrence of default, we are entitled to claim compensation for the damage caused by any delay in the amount of 1% for each begun week of the delay up to a maximum total of 10% of the gross order value of the delayed delivery, unless the Supplier proves that no damage at all or only a lesser damage has occurred. We reserve the right to claim additional damages.  
Other than that, we may claim our statutory rights arising from any defaulted delivery.
4. We do only accept partial deliveries subsequent to an explicit agreement to that effect.
5. We have the right to refuse taking delivery of the goods in any case of force majeure, upon the occurrence of disruptions of business operations, strikes and lockouts, civil commotions, and in the event of government agency orders, provided we are not responsible for the hindering obstacle.  
If the abovementioned hindering obstacles subsist for a period of more than one month, then we have a right to rescind the respective contract and to demand repayment of any payment already made. If partial deliveries have already been made or if we have an interest in keeping any partial deliveries made, then the consequences of any such rescission are limited to the partial deliveries that have not yet been made.

**(7) Passing of Risk**

Regardless of the legal classification of the Supplier's delivery and shipment obligations, and even in cases of force majeure, the risk of accidental destruction or deterioration of the goods delivered to us will not pass to us until the goods arrive at the agreed upon place of delivery.

**(8) Passing on of the Order**

The Supplier shall neither pass on any order to any third party without our written agreement nor call in any sub-supplier that has not been approved by us.

**(9) Retention of Title**

We will not accept any retention of title claimed by the Supplier unless the claim is made for a basic retention of title. Extended or expanded retentions of title have no effect.

**(10) Quality Assurance**

The Supplier knows that our products are safety components for vehicles.

We require that our Suppliers practice a quality management system according to IATF 16949. The Supplier shall provide us with evidence of its quality assurance measures, certificates and any audits, this shall particularly apply in any case of defective performance and product liability damages.

If the Supplier purchases pre-deliveries from sub-suppliers, then it shall include them into its quality management system.

**(11) Warranty**

1. The Supplier is liable, without any limitation, for any defect of any delivery as provided by the statutory provisions.

The goods to be delivered must comply with the descriptive documents any respective order is based upon (product specification, requirement specification, drawings, samples, technical documentations) and with the most recent state of the art (VDA-regulations, DIN-regulations, ISO).

The warranty particularly includes the following:

- first class design and state of the art construction of all parts according to the accepted latest state of the art in combination with compliance with the descriptive documents any respective order is based upon and with all applicable statutory provisions, particularly the provisions of the Machine Safety Act and of the Product Liability Act, the accident prevention instructions, regulations, DIN-provisions, directives, and the VDE-regulations, and with the EC-directives and the national statutes derived herefrom;
- in addition to the abovementioned compliance with all statutory provisions in the country of destination in which the delivered goods are to be used if the Supplier knows in which country the delivered goods are to be used;
- use of only flawless work materials that are best suited for our operating conditions as known to the Supplier;
- delivery of only new parts that have been successfully tested before;
- fully functional and fail-safe operating of any delivered equipment;
- observance of copyrights, inventor rights, license rights and similar third-party rights;
- attachment of comprehensible installation instructions in German.

Our approval of any calculations, design drawings, sample constructions, test specimens, and the like provided by the Supplier does not result in any limitation of the Supplier's warranty obligations and responsibility.

2. The qualities of the products delivered by the Supplier that are relevant for the safety of our products are deemed to be warranted (BGB <sup>1</sup> § 276 subsection 1 clause 1, second sub clause) if the relevance of these qualities for the safety of our products must be identifiable for the Supplier on the basis of its own expertise or if we have made particular mention of the relevance of the qualities for the safety of our products before or when entering into the respective contract. Such mention can be made by drawings, plans, testing instructions, and the like, and by customary acronyms.

Additional agreements on the warranty of qualities made before, when, or after entering into the respective contract, remain unaffected. In any case, such agreements can also be made by word of mouth or by reference to drawings, plans, etc.

If we are made liable under any warranty under reference to any documents, statements or advertisements provided by the Supplier or the manufacturer, then the Supplier shall indemnify us from any warranty claim based thereon upon our first demand.

3. The warranty period is 30 months from the delivery of the end product by us to our customer. The warranty period expires no later, however, than 36 months from the delivery of the goods by the Supplier to us or from the agreed upon taking of delivery.
4. Our notice of any defect results in the temporary tolling of the warranty period for the entire batch the defective delivery has been part of. The warranty period does not continue to run until two months after the performance has been remedied successfully or until the Supplier has disclaimed any warranty in writing. A new warranty period as provided under subsection 3 hereof applies to any product subsequently delivered for remedy purposes.

5. Our obligation to examine the goods and to open their packaging is limited to performing spot checks, and even this limited obligation applies only when we have not agreed upon otherwise with the Supplier. All defects that cannot be identified by inspecting the packaging or by performing spot checks are treated as hidden defects.  
Any defect notice is given on time when mailed by us within 10 days from the reception of the goods; if the defects are hidden, such defect notice is given on time when mailed by us within 10 days from their detection.
6. If there are any tangible signs of defective deliveries, then we are authorized to examine the goods ourselves or have them examined by a technical testing agency as to their fitness at the Supplier's expense.
7. No acceptance and processing of any goods that are defective or suspected to be defective bars any warranty claims against the Supplier if we inform the Supplier in writing that we are compelled to process the goods for the time being in order to meet our own delivery obligations towards customers and to avoid larger damages.  
If we incur expenses through increased installation expenditures or repair and improvement work while processing the goods, then the Supplier will reimburse us these expenses when proof hereof is furnished.
8. In any case of defective performance we may claim for repair or replacement.  
Replaced or repaired products shall be identified as such when being delivered.  
If the repair or replacement is not performed within five days from written demand hereof being made, then we are entitled to either have the defects remedied by third parties at the Supplier's expense, or to procure a replacement otherwise at the Supplier's expense, or to claim for the statutory warranty claims.
9. If the same goods are repeatedly delivered in a defective state, we may, upon receipt of yet another defective delivery, rescind the respective contract also with respect to the not yet performed extent of the delivery or recover for the damages incurred through the non-performance after having sent a written dunning notice including the warning to terminate the entire contract. This does not apply to the extent the Supplier proves that it is not at fault therefor. The Supplier is liable for its sub-suppliers pursuant to BGB § 278.
10. Should we be exposed to any claims due to any violation of governmental safety regulations or on the basis of strict liability under any domestic or foreign statute (product liability) the Supplier shall indemnify us against any such claims at our first demand. The cost of any measures apparently required to avert any risk of becoming subject to any liability at a later point in time, including without limitation the cost of a campaign to recall our products, shall be borne by the Supplier. The foregoing applies accordingly when the Supplier is obligated to perform any development work or other services.

**(12) Copyrights, Inventor Rights, Secrecy**

The Supplier warrants that no copyrights or industrial property rights of any third party are infringed upon by the goods or services it delivers. Should we nevertheless be made liable by any third party, then the Supplier shall indemnify us upon our first demand.  
The Supplier shall treat confidential all documents and information received from us, and such documents and information shall only be made accessible to any third party with our explicit written approval.  
The samples, models, drawings, blueprints, etc., sent by us to the Supplier shall not be made accessible to any third party. They shall be sent back to us as soon as they are no longer required to perform the deliveries.

**(13) Tools, Materials**

1. Any tools, jigs, gauges made available to the Supplier remain our property and shall be clearly identified by the Supplier as Isringhausen-property.

Tools, jigs, gauges for the manufacture of Isringhausen-products are our property and shall be identified as Isringhausen-property even if made by the Supplier itself or on the Supplier's behalf.

The Supplier shall insure them against fire and theft for our benefit on the basis of their respective replacement value and furnish us with proof of the existence of the insurance. The Supplier shall service and maintain any such tools at its own expense on a regular basis. When returned, any such tools must be in a flawless technical and optical condition. Any repair expense shall be borne by the Supplier.  
Upon the expiration of any respective contract, the Supplier shall return any such tools to us without having any right to withhold the return of any such tools.

2. If we make any materials available to the Supplier, then it shall insure such materials on the basis of their original value.
3. Should proof of sufficient insurance coverage be failed to be furnished in any of the above mentioned cases, then we are authorized to buy insurance for the tools and materials at the Supplier's expense.

**(14) Place of performance, place of venue and miscellaneous:**

1. The place of performance is at the shipment address desired by us unless agreement has been made otherwise.
2. All deliveries are governed by the laws of the Federal Republic of Germany. The uniform United Nations Convention on the International Sale of Goods is inapplicable.
3. All data required for processing any respective business transaction will be processed at a central location at our offices.
4. Lemgo is the place of venue for all disputes arising from any respective agreement.
5. Should any one clause of these provisions be entirely or partially invalid, then the validity of the remaining clauses is not affected hereby. Then, the parties shall replace the invalid clause by a valid clause financially complying with their respective intention to the highest possible degree.