

General Terms and Conditions of Purchase valid from April 2022

I. Relevant Conditions

The legal relationship between iwis mobility systems GmbH & Co. KG, iwis antriebsysteme GmbH & Co. KG, iwis smart connect GmbH as well as their respective affiliates on the one hand (hereinafter named "iwis") and on the other hand the Suppliers shall be governed by these conditions. Alterations and amendments must be made in writing. Any other General Terms and Conditions of the Supplier will not apply, even if they were not rejected explicitly in any individual case. Acceptance of goods / services and their payment does not represent approval.

II. Orders

1. Supply Agreements (order and acceptance) and any calls for delivery, as well as any alterations and amendments thereto, must be made in writing. Upon iwis' request, all statements can also be made via email or via data transmission.

2. In the event that the Supplier does not explicitly object acceptance of the order in writing to iwis within 5 days from the order date, the order shall be deemed accepted by the Supplier, unless iwis does revoke its offer in writing within 10 working days from the order date.

3. Calls for delivery under existing framework orders shall become binding if the Supplier does not object within 2 working days from receipt. They are binding for the first 4 weeks. Quantities referring to a later point in time serve only for informational purposes for the disposition of the Supplier.

4. To the extent reasonably acceptable to the Supplier, iwis may demand changes and modifications to the construction, process and design of the subject matter of the supplies. In this respect, the consequences thereof, in particular regarding the additional and reduced costs as well as delivery dates, are to be resolved in an appropriate and mutually agreeable manner.

III. Prices / Payment

1. Any agreed prices are fixed prices. Subsequent price changes, even in the case of changes to the construction or design of the subject matter of the supplies demanded by iwis, require iwis' written confirmation in all cases. Expenses relating to shipping and packaging are to be shown separately. iwis will benefit from general price reductions made by the Supplier (e.g. reduction in list prices). The legal amount of V.A.T. is to be shown separately.

2. At iwis' discretion, payments will be made either within 14 days with 3 % cash discount, within 30 days with 2 % cash discount or within 90 days without cash discount, calculated in each case from the later of the date of the iwis' receipt of the delivery or the date of iwis' receipt of the invoice. In the case of acceptance of earlier delivery, payment will be due in accordance with the originally agreed delivery date.

3. The payment is subject to invoice verification by bank transfer.

4. In case of a defective delivery, iwis may amongst other things withhold payments in proportion to the value until satisfactory performance.

5. Without the prior written consent of iwis, Supplier is not entitled to assign its accounts receivables against iwis or to have them collected by third parties.

6. If contracting partner ceases to pay or if insolvency proceedings are applied for regarding its assets or if legal or out-of-court arrangement proceedings are applied for, the other contractual partner is entitled to rescind the part of the contract that remains unfulfilled.

IV. Delivery / Delivery Dates

1. Unless otherwise agreed, the delivery is ex works duty paid and insured, including packaging and unloading at the time of receipt of the goods to the address specified by iwis. The Supplier bears the risk of damage until acceptance of the goods by iwis.

2. All agreed delivery dates and time limits are binding. Compliance with such dates and time limits is to be determined by the date of the receipt of the goods at the address specified by iwis. The acceptance of delayed goods / services does not constitute a waiver of claims for compensation.

3. Upon iwis' request, Supplier shall deliver the goods even outside the agreed hours, unless there are mandatory reasons not to deliver.

4. Furthermore, the contractor must ensure that all necessary transport and freight documents are included in the delivery of goods.

5. Partial deliveries are only permitted with the explicit consent from iwis and will only be remunerated pro-rata upon written consent from iwis.

6. Force majeure, breakdowns, administrative orders and other unavoidable events release iwis from their acceptance for the duration of the existence of such events.

V. Replacement Parts / Packaging

1. The Supplier is obliged to deliver any replacement parts against adequate terms and conditions for such period of time reflecting the average useful life of iwis' products, at least however 15 years after the last series delivery.

2. The Supplier shall pack the goods to be delivered appropriately and - if necessary - to preserve them (e.g. anti-rust protection). Thereby, Supplier shall adhere to the packaging and logistics regulations of iwis. Supplier shall be liable to iwis for any and all damages due to incorrect packaging.

VI. Notice of Defects

1. iwis will inspect the delivered goods as to any apparent defects, in particular transport damages or obvious quantity deviations, within 14 days of receipt and indicate these to the Supplier without delay.

2. Hidden defects shall likewise be notified to the Supplier within 14 days of noticing the defect. The Supplier hereby waives the objection of delay.

VII. Warranty Claims

1. iwis is entitled to inspect the fulfilment of the quality requirements of the Supplier on site during normal business hours without giving prior notice.

2. In case of delivery of defective goods, before commencement of manufacture the Supplier shall first be given the opportunity to sort out, repair or provide replacement parts for the defective goods, unless and to the extent this is not reasonable for iwis. Should the Supplier be unable to do so, or does Supplier not comply with iwis' respective requests without delay, iwis will be entitled to withdraw from the contract and return the goods at the cost and risk of the Supplier. In urgent cases iwis may carry out the repairs itself or have them carried out by a third party. The Supplier shall bear the respective cost.

3. iwis is entitled to have minor defects repaired immediately, at the Supplier's expense, iwis will provide a report regarding the type and scope of these defects and the repair works carried out. In case the same goods are repeatedly delivered defective, iwis will be entitled, following a written warning issued after the goods have once again been delivered defective, to withdraw from the order which may include any goods not yet delivered.

4. In the event that, even after the goods have already been inspected during the normal course of business in time, a defect first becomes apparent following commencement of the manufacturing process, or after receipt by iwis' customer, iwis is entitled to consequential damages suffered by iwis due to such defects, including all expenses incurred by iwis as a result of such defects.

5. The warranty claims become statute-barred in 3 years from the passing of risk and in 5 years for buildings or goods concerning buildings, excluding cases of malice. The warranty will be renewed for subsequently delivered or repaired goods.

VIII. Liability

To the extent not otherwise stipulated in these terms and conditions, Supplier shall be liable for any damages caused to iwis, directly or indirectly, as a result of a defective delivery, due to any infringement of regulatory safety regulations or due to any other legal reasons attributable to Supplier, as follows:

1. In the event that a claim should be made against iwis pursuant to compulsory liability laws towards third parties, Supplier shall indemnify iwis if and insofar the damage is caused by a defect in the damaged goods.

2. In cases of fault-based liability, the Supplier shall contact iwis and will be immediately liable.

3. Regarding compensation for damages between iwis and Supplier, the principles of § 254 German Civil Code shall apply.

4. Supplier shall be liable for any actions undertaken by iwis for the prevention of damages (e.g. recall).

5. In the event that iwis intends to make a claim against the Supplier in accordance with the foregoing regulations, iwis will inform the Supplier. Subject to being economically acceptable to iwis, the Parties hereto intend to coordinate as concerns the measures to be taken, in particular regarding settlement negotiations.

6. The Supplier is liable for its subcontractors to the same extent as for its own negligence.

IX. Export Control

1. The Supplier must document that all processes, products and services comply with the current legal and regulatory requirements of the exporting country, the importing country and the country of destination specified by the customer and hand these documents over on request.

2. The Supplier must implement special control measures for products that are subject to legal and regulatory requirements and ensure that the monitoring is carried out and continuously maintained as required.

X. Conformance of regulations

1. The Supplier guarantees the recognised rules of technology, the agreed technical data and specifications within its deliveries. The Procurement and Quality Guidelines, Quality Assurance Agreement, Logistics Manual, iwis Corporate Compliance standards and any customer-specific guidelines must be adhered to and can be accessed at <http://www.iwis.de/ueber-iwis/downloads/vertragsbedingungen/>

2. The Supplier is responsible for ensuring that its deliveries adhere to all requirements from the EU Chemical Regulations REACH (VO(EG) No.1907/2006) on time. iwis is not obliged to complete the (pre-) registration.

3. All goods which are subject to the EU Guidelines of Conformity must be marked with the CE trademark. They must be accompanied by all documents required for this trademark. By affixing the CE trademark, the contractor guarantees conformity and compliance with all applicable legislation.

4. The Supplier does not use any conflict commodities in its deliveries. Conflict commodities include cobalt, columbite-tantalite (coltan), cassiterite, gold, wolframite and their derivatives from the Democratic Republic of the Congo and its adjoining countries, further defined in article 1502 section e, clauses 1 and 4 of Dodd Frank Wall Street Reform and Consumer Protection Acts (USA) and Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 establishing supply chain due diligence obligations for Union importers of tin, tantalum, tungsten, their ores and gold from conflict and high risk areas. Also, contractor is required to periodically produce Conflict Minerals Report Template (CMRT) and Cobalt Report Template (CRT) to assist in data sharing required to comply with Section 1502 of the Dodd-Frank Act. The Supplier will take and implement appropriate measures to ensure the prohibition of acquisition and use.

5. The contractor guarantees that all requirements of the directive 2011/65/EU also called RoHS (ElektroStoffV - Elektro- und Elektronikgeräte-Stoff-Verordnung of April 19, 2013) are met with regard to his deliveries.

6. The Supplier is also obliged to provide deliveries and / or services which comply with the legal and official regulations, standards and other legal norms at the place of manufacture and at the place of use determined by iwis, particularly regarding quality, environmental protection, conventions of the International Labour Organisation and product safety (Product Safety Law).

7. The Supplier adheres to iwis standards of compliance, notably the fair competition, minimum wage limits and rejection of illegal terms of employment. The regulations of the iwis Business Partner Code apply.

XI. Confidentiality

1. The parties hereto undertake to treat all commercial and technical details, which are not subject to public domain and which may become known to them during their course of business, as confidential and to not disclose anything to third parties, as long as they do not urgently need to know throughout the term of any agreement and also thereafter.

2. Unless otherwise agreed upon, contract documents, drawings, models, samples and similar records and items, as well as project plans, process descriptions and programming results should not be used by the Supplier or be made available to unauthorised third parties or anyone else.

3. Supplier shall bind its sub contractors by the above provisions.

4. The parties hereto may only enlist and advertise with their business contacts following prior written agreement.

XII. Property Rights / Rights of Use

1. The Supplier guarantees that its supplies are free from any deficiencies in rights and titles and shall indemnify and hold harmless iwis and iwis' customers from any claims based on any respective deficiencies.

2. The Supplier shall immediately notify iwis of any respective risks of which Supplier becomes aware of, in particular such relating to alleged infringements of third parties' intellectual property rights.

3. Insofar as the development work is commissioned or becomes necessary in connection with orders, irrespective of whether or not a consideration is to be paid for this development work, intellectual property rights coming into existence in the course of such development work are to be assigned to iwis (if necessary, after claiming the respective intellectual property rights by the Supplier under the National Employees Invention acts). The aforesaid shall apply mutatis mutandis to rights of use. The aforesaid notwithstanding, Supplier shall in any case inform iwis with respect to all work results, improvements and the like.

XIII. Production / Testing Materials

1. iwis acquires sole or joint property to any production or testing materials, which iwis pays for in part or in full, in accordance with its financial contribution. The handing-over is hereby replaced by an agreement of safekeeping, pursuant to which Supplier is entitled to possession until further notice by iwis. Supplier shall be liable for any break up or deterioration of such materials. Absent of iwis' prior written consent, Supplier shall not be allowed to destroy, sell or assign, pledge or otherwise dispose of such production or testing materials. Upon iwis' request, Supplier shall return such materials without delay.

2. Production and testing materials, with which iwis provides the Supplier or for which iwis provides payment in full or in part may only be used for delivery to third parties following the prior written consent of iwis.

3. All production and testing materials shall comply with any governmental regulations and provisions (including those regarding workers health and safety regulations and regulations of employer's mutual insurance associations) and will be - to the extent required - in compliance with the latest EEC Machinery Directives.

XIV. Services or Execution of Work

Persons carrying out work on the premises, in order to fulfil an order or a contract, shall comply with all provisions, regulations and ordinances issued at any time by iwis. Liability for accidents which may occur to such persons while on the premises shall be excluded, unless or to the extent deliberate acts or gross negligence on the part of iwis can be proven.

XV. General Provisions

1. The substantive law of the Federal Republic of Germany, excluding the UN Sales Convention. The place of performance and jurisdiction is the office of the commissioning iwis company.

3. Clauses are to be interpreted according to the retrospectively valid Incoterms. Should any provision within the General Conditions of Purchase and other agreements become ineffective, the remaining provisions and their validity shall not be affected and shall be replaced by a similar provision, which comes closest in meaning to the original with regards to economic success.