I. Relevant Conditions

The General Terms and Conditions of Purchase (GiBP) between iwis motosysteme GmbH & Co. KG, iwis antreibsysteme GmbH & Co. KG, iwis smart connect GmbH, iwis systemtechnik GmbH as well as their respective affiliates on the one hand (hereinafter named “iwis”) and on the other hand the Supplier shall be understood to mean the parties to the Supply Agreement, Amendments and modifications 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 of a delay or rejection of a final object, or explicitly object accept the order in writing if 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. Claims for damages if not made against iwis pursuant to compulsory liability laws will not be entertained 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 disposal 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 Supplier is not required to respond to changes in the original agreements 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 borne by the Supplier.

2. If the order is placed in such a manner that iwis may benefit from general price reductions made by the Supplier (e.g. reduction in list prices). The legal amount of VAT is to be shown separately.

3. 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 higher rates of earlier delivery, payment will be due in accordance with the originally agreed delivery date.

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

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

6. Without the prior written consent of iwis, Supplier is not entitled to assign its accounts receivable to third parties, unless this is necessary due to normal business conditions in time, a defect first becomes apparent following commencement of the warranty period.

7. If iwis is also obliged to provide deliveries and / or services which comply with the legal or 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, safety and accident protection regulations, they must be accompanied by all documents required for their processing.

8. 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.

9. Supplier is immediately notified of any respective risks of which Supplier becomes aware of, in particular such relating to alleged infringements of third parties’ intellectual property rights.

10. Incurred costs as a result of such proceedings are due from the Supplier. iwis is entitled to withdraw from the contract and return the goods at the cost and risk of the Supplier.

11. The Supplier hereby waives the objection of delay.

7. Warranty Claims

1. iwis is entitled to inspect the fulfillment of the quality requirements of the Supplier on site during unloading and during loading. The Supplier is under no circumstances entitled to charge iwis for any service costs incurred.

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 or missing goods in writing. If the Supplier is 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. Iwis is entitled to sort out the defect 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 these defects and the repair works carried out.

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 before this, the Supplier may by iwis’ customer, iwis is entitled to consider these damages suffered by iwis due to such defects, including all expenses incurred by iwis as a result of such defects.

5. The warranty period shall 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.

8. 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 non-observance of statutory 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 and iwis is found liable, Supplier shall indemnify iwis if and insfar as 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 of the German Civil Code shall apply.

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

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 and due regard for iwis’ interests hereunder, iwis will determine in advance as the 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.

7. 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 of country of destination specified by the customer and hand these documents over on request.

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

X. Conformance of regulations

1. The Supplier agrees to supply goods which comply with the recognised rules of technology, 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 EU Conformity Regulations (e.g. the EU Machinery Directives).

3. The Supplier must provide a report regarding the type and scope of these defects and the damages suffered by iwis due to such defects, including all expenses incurred by iwis as a result of such defects.

4. Supplier shall have the opportunity to sort out, repair or provide replacement parts for the defective goods at the cost and risk of the Supplier.

5. The acceptance of delayed goods / services does not constitute a waiver of claims for compensation.

6. If iwis’ request, Supplier shall deliver the goods even outside the agreed hours, unless there are mandatory reasons not to deliver.

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

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

9. Force majeure, breakdowns, administrative procedures and other unavoidable events relieve iwis from their acceptance for the duration of the existence of such events.

VII. Replacement Parts / Packaging

1. The Supplier guarantees that any replacement parts against adequate terms and conditions for such period of time reflecting the average useful life of iwis’ products, at least howev- er 15 years after the last series delivery.

2. The replacement parts shall be delivered appropriately and - if necessary - to pre- serve 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, within 14 days. Any deviations, including those due to the normal wear and tear, must be notified to iwis 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 de- fect. The Supplier hereby waives the objection of delay.

III. Property Rights / Rights of Use

1. iwis is entitled to use the supplies without restrictions for any purpose or in any manner, in particular for the purpose of their improvement and the production of new or improved products in the framework of the business relationship.

2. Upon iwis’ request, Supplier shall provide a report regarding the type and scope of these defects and the damages suffered by iwis due to such defects, including all expenses incurred by iwis as a result of such defects.