# Terms of delivery CAWi Group



#### Scope

 The terms and conditions of sale of the CAWi Group apply to every framework agreement (hereinafter "contract") and all individual contracts and / or orders under a contract (hereinafter "individual contract") with entrepreneurs, legal persons of the public law (hereinafter "Partner").

Our deliveries and services are carried out exclusively on the basis of the following conditions.

Terms of business of the partner, which are not expressly acknowledged by us, are not valid.

#### General provisions

- Verbal agreements require the written form for their validity and are only binding upon the written confirmation of both parties.
- Individual contracts / orders are only binding upon our order confirmation.
- The data and illustrations contained in the brochures are standard industry approximate values, unless they are expressly designated as binding by us.
- 5. CAWi shall be entitled to reject the acceptance of any order if it becomes recognizable that our payment claim from the individual contract is jeopardized by a lack of performance of the partner upon acceptance of the order or a different reason within the meaning of Article 321 paragraph 1 BGB. The same shall apply, irrespective of the provision in clause 25, to the performance of an order to which Article 321 paragraph 1 sentence 2 and paragraph 2 BGB applies.
- 6. CAWi is also entitled to terminate the contract without notice if there is an important reason for this. An important reason is, in particular, if, after conclusion of the contract, it becomes clear that the claims for payment under the contract are jeopardized by a lack of the partner's ability to perform and that the partner is not credibly verifying his or her performance within a reasonable period. Legal right of cancellation and withdrawal rights and the rights pursuant to sections 25 and 39 shall remain unaffected.
- Should individual parts of these conditions of sale be or become ineffective, the effectiveness of the remaining provisions will not be impaired thereby.

#### Contract termination, price adjustment

 Contracts with an indefinite term can be terminated by both parties with a period of three months at the end of the quarter. The notice of termination must be in writing.

In the case of a termination, CAWi has the right to accept ordered products and to take over the materials procured for these orders.

Furthermore, CAWi may be entitled to compensation for damage resulting from the termination of the contract.

The partner is entitled to delivery of the products, which at the time of the delivery as fixed, confirmed delivery quantities according to the agreements apply.

9. If a substantial change in wage, material or energy costs occurs for contracts, the seller is entitled to demand an appropriate adjustment of the price taking into account these factors. The prices will be calculated on the basis of a change in the material costs as of 2.1 and 1.7 of any given year, and adjusted if necessary. The price change will be announced with a lead time of 1 month.

In the case of extraordinary cost changes, the price adjustment is possible at any time without observance of the above dates.

- 10. If the partner takes less than the agreed target quantity, where the evaluation period is the calendar year, CAWi is entitled to increase the unit price according to the new calculation basis.
- Additional costs caused by subsequent changes in the call for time or quantity by the partner shall be borne by the partner, unless he is not responsible for the delay or retroactive change.

#### Confidentiality

12. Each contracting partner will use all documents (including samples, models and data) and knowledge obtained from the business relationship only for the jointly pursued purposes and keep them secret with the same diligence as their own documents and knowledge other contracting parties shall be deemed to be confidential or have a manifest interest in their secrecy.

This obligation shall begin with the date of receipt of the documents or knowledge. The creation of a separate confidentiality agreement remains unaffected.

13. The obligation does not apply to documents and knowledge which are generally known or which were already known to the contractual partner upon receipt without being bound to secrecy or which are subsequently transmitted by a third party authorized to pass on the data or by the receiving contract partner without utilization secret documents or knowledge of the other contracting partner.

#### **Drawings and specifications**

14. Where a contracting party makes drawings or technical documentation available to the other of the goods to be supplied or their production, they remain the property of the referring contracting party.

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#### **Prototypes**

15.. The partners are commissioned to supply CAWi prototype parts with the necessary means of production such as auxiliary tools, bending tools, circuit boards, etc. to the partner offered under the term "prototype tools".

The production Equipment is suitable for the production of a limited agreed quantity. The "prototype tools" are individually planned for production on a specific machine park.

The production Equipment remain the property of CAWi. The same applies to the know-how on the layout and the manufacturing method of the prototype parts.

#### **Production tools**

- 16.. If the partner CAWi commissioned the partner to procure the tools required for the production of the product, this will be invoiced according to a relevant agreement. The property is transferred to the partner after full payment. With the assignment of the order, he agrees to the transfer of ownership. A dispensing quantity is agreed upon for the tool. If the tool is worn, the partner has to bear the costs for a possible overhaul or a new production. CAWi creates an offer for these services and carries out the work on the basis of a corresponding contract assignment or monitors this at its subcontractors.
- CAWi bears the costs of maintenance, maintenance and proper storage as well as the risk of damage or destruction of the equipment.
- 18. If the partner discontinues or terminates the collaboration during the production period of the tools, all expenses incurred up to that point will be charged to the partner. These are to be paid net immediately after the invoice has been sent.
- 19. The tools, even if the partner has paid them, remain at least until the execution of the supply contract owned by CAWi. The partner is then entitled to request the tools. Prerequisite for such handover is a consensual regulation and that the partner has fulfilled its contractual obligations in full.
- 20. CAWi shall keep the tools free of charge for two years after the last delivery to the partner. CAWi then requests the partner to submit his statement within 6 weeks concerning further use. The obligation of CAWi to the custody ends, if within this 6 weeks no statement is made or no new order for the production of the product is sent. Should there be no declaration by the partner, an adequate fee for the warehousing shall be due from the end of the 6-week period. After a period of 6 months, CAWi will deliver the tools, if they are the property of the partner, at his expense.
  - If CAWi is the owner of the tools, the tools are scrapped after 6 months.
- Customer-specific manufacturing devices may only be used by CAWi for deliveries to third parties with the prior written consent of our partner.

#### **Prices**

The agreed prices are expressed in euro exclusive of VAT, packaging, freight and insurance.

#### Payment terms

- 23. All invoices are due for payment within 14 days from the invoice date.
- 24. If CAWi has delivered undisputed partially defective goods, our partner is nevertheless obliged to make the payment for the defect-free portion. The partner can set off claims if they are legally binding, decisive or uncontested. There is also a right to withhold or the right of retention or denial of performance of the partner only within these limits.
- 25. In the event of a payment delay, we shall be entitled to charge default interest at the rate that the bank calculates for overdraft facilities, but at least 8 percentage points above the respective base rate of the European Central Bank.
- 26. In the event of a delay in payment, we can postpone performance of our obligations by way of a written notification to the partner until we have received the payments.
- 27. Bank transfers and clearing checks are accepted as the exclusive means of payment.

# **Delivery**

- Unless otherwise agreed, we deliver EXW, Incoterms 2010. The delivery or delivery period is subject to the notification of the dispatch or pick-up availability by us.
- The delivery period begins with the sending of our order confirmation and is prolonged appropriately if the requirements of section 57 apply.
- Partial deliveries are permissible to a reasonable extent.
- Within a tolerance of 15 percent of the total order quantity, production-related additional or short deliveries are permissible.

#### Shipping and risk transfer

- 32. Any goods reported as ready for delivery must be accepted for delivery immediately by the partner. Otherwise we are entitled to send them at our own discretion or store them at the expense and risk of the partner.
- In the absence of any special agreement, we will select the means of transport and the transport route.
- 34. By handing over to the railway company, forwarder or freight carrier, or at the beginning of storage, or at the latest with leaving the factory or warehouse, the risk will pass to the partner, even if we have accepted to take care of the delivery.

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### **Delay in delivery**

- 35. If we can foresee that the goods cannot be delivered within the delivery period, we shall inform the partner immediately and in writing of the reasons for this and, if possible, the estimated delivery date.
- 36. If the delivery is delayed due to a circumstance as defined in section 57, or by any action or omission of the partner, an extension of the delivery period appropriate to the circumstances shall be granted.
- The partner is only entitled to withdraw from an individual contract if we are responsible for the nonfulfilment of the delivery date and he has set us a reasonable deadline without success.

#### Retention of title

- 38. We retain ownership of the delivered goods until all claims arising from the business relationship with the partner have been fulfilled.
- 39. The partner is entitled to sell these goods in the ordinary course of business as long as he meets his obligations arising from the business relationship with us on time. However, he may neither pawn nor secure the reserved goods. He is obliged to secure our rights in the case of the credited resale of the reserved goods.
- 40. In the case of breaches of duty by the partner, in particular in the event of a delay in payment, we shall be entitled to withdraw from the individual contract and to take back the goods after the expiry of a reasonable period of time set aside for the partner; the statutory provisions on the dispensability of a deadline shall remain unaffected. The partner is obliged to return the goods.
- 41. The partner already assigns to us as security all claims and rights arising from the sale or any rental of goods to which the partner is entitled, if the property is our property. We accept such assignment.
- 42. Any works on or processing of the reserved goods is always undertaken by the partner for our benefit. If the reserved goods are processed or inseparably mixed with other items which are not our property, we shall acquire the co-ownership of the new item in proportion to the invoiced value of the reserved goods to the other processed or mixed items at the time of processing or mixing.

If our goods are combined with other movable objects to form a uniform item, or inseparably mixed, and the other item is to be regarded as the main item, the partner transfers to our proportionate co-ownership, insofar as the principal item belongs to it. The partner keeps the property or co-ownership for us. In addition, the same thing as for the reserved goods applies to the goods resulting from processing or connection or mixing.

43. The partner shall immediately notify us of the enforcement measures by third parties in the reserved goods, the claims assigned to us, or other collateral, by handing over the documents

- necessary for an intervention. This also applies to impairments of a different kind.
- 44. If the value of the existing collateral exceeds the secured claims by a total of more than 20 percent, we shall be obliged to release securities at our discretion if the partner so requests.

#### Defects / quality

- 45. The quality of the goods depends exclusively on the agreed technical delivery specifications. If we have to deliver according to drawings, specifications, samples, etc. of our partner, the partner assumes the risk of suitability for the intended use. Decisive for the contractual condition of the goods is the date of the transfer of risk in accordance with section 33.
- 45a. In the case of our deliveries, we shall comply with the applicable legal provisions of the European Union and the FRG, e.g. the REACH-Regulation (EC Regulation No. 1907/2006), as national transpositions of Directives 2002/95 / EC (RoHS I) and 2011/65 / EU (RoHS II) as amended. We will promptly inform the partner about any relevant changes in the goods caused by the REACH regulation, their ability to deliver, the possibility of using them, or the quality of the goods and, in individual cases, shall coordinate appropriate measures with the partner.
- 45b. CAWi's quality guidelines are binding for all deliveries. This also applies to deliveries of subcontractors to us.
- 46. We shall not be liable for material defects resulting from unsuitable or improper use, faulty assembly or commissioning by the partner or third parties, usual wear and tear, faulty or negligent treatment as well as for the consequences of improper modifications or repair work of the partner or by third parties without our consent. The same applies to defects which only slightly reduce the value or suitability of the goods.

A prerequisite for this is a proper incoming goods inspection according to § 377 ff. HGB, which is in principle binding for all our deliveries.

- Unless otherwise agreed, the statute of limitations of the material claims shall be governed by law.
- 48. If an acceptance of the goods or an initial sample inspection was agreed, the complaint for defects is excluded, which the partner could have determined with careful acceptance or first sample inspection.
- 49. We shall be given the opportunity to ascertain the defect. The complained goods must be returned to us immediately upon request; we accept to pay transport costs if the complaint is justified. If the partner fails to meet these obligations or makes changes, without our consent, to the goods already complained about, he will lose any claims for material defects.
- In the case of justified, timely notification of defects, we shall, at our discretion, rectify the complained goods or provide faultless replacement.

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- 51. If we do not fulfil these obligations or do not fulfil them as contained in the contractual undertakings within a reasonable time, the partner can set us a written deadline within which we have to fulfil our obligations. After the unsuccessful expiry of this period, the partner may demand a reduction of the price, withdraw from the individual purchase contract, or carry out the necessary rework by ourselves or by a third party at our expense and risk. A cost reimbursement is excluded as long as the expenses increase because the goods have been delivered to another place after our delivery, unless this corresponds to the intended use of the goods.
- 52. Legal claims by the partner against us shall exist only insofar as the partner has not entered into any agreements with his customer which go beyond the statutory claims for defects. The scope of the claims for recourse also applies to section 50 last sentence corresponding.

#### Other claims, liability

- 53. Unless otherwise stated below, other and further claims of the partner against us are excluded. This applies in particular to damages claims for breach of obligations arising from the debt relationship and from tort. We are not liable for damages that are not caused by the delivered goods themselves. Above all, we are not liable for loss of profit or other assets of the partner.
- 54. The limitation of liability does not apply in cases in which, according to Product Liability Act, defects in the delivered goods are liable for personal injury or property damage to privately used items. It also does not apply in the case of injury to life, body or health and in the absence of assured characteristics if and insofar as the assurance has just been intended to protect the partner against damages which are not caused to the delivered goods themselves. It also does not apply to expenses according to § 439 paragraph 3 BGB
- 55. Insofar as our liability is excluded or limited, this also applies to the personal liability of our employees, employees, employees, legal representatives and vicarious agents.
- The statutory provisions on the burden of proof remain unaffected.

#### Force majeure

Force majeure, labour disputes, unrest, official measures, the absence of supplies from our suppliers and other unpredictable, inapplicable and serious events shall release the contractual partners from the performance obligations for the duration of the disturbance and to the extent of their effect. This also applies if such events occur at a time when the affected contract partner is in default, unless deliberate or grossly negligent. The parties to the contract are obliged to provide the necessary information without delay within the framework of reasonable requirements and to adapt their obligations to the changed circumstances in good faith.

# Place of performance, jurisdiction and applicable law

- 58. Our registered seat is the place of performance.
- 59. For all legal disputes arising from and in connection with a contract, also in the context of a bill of exchange and check process, our place of business is jurisdiction. We are also entitled to sue at the seat of the partner.
- 60. Only the law of the Federal Republic of Germany shall apply to the contractual relationship. The application of the United Nations Convention on the Sale of Goods (CISG - "Wiener Kaufrecht") of 11 April 1980 is excluded.