Scope

1. The Terms and Conditions of Sale of the CAWi Group apply to every framework agreement (hereinafter referred to as the “Agreement”) and to all individual agreements and/or orders under an Agreement (hereinafter referred to as the “Individual Agreement”) entered into with entrepreneurs and legal entities under public law (hereinafter referred to as the “Partner”).

Our deliveries and services are made exclusively on the basis of the following terms and conditions.

Any terms and conditions of the Partner which have not been expressly accepted by us shall not apply.

General Provisions

2. Oral agreements must be made in writing in order to be valid and shall only become binding after written confirmation by both parties.

3. Individual agreements/orders shall become binding only upon our order confirmation.

4. The information and illustrations contained in brochures are approximate values customary in the industry, unless they have expressly been designated by us as binding.

5. CAWi is entitled to reject acceptance of an order if it becomes apparent that our payment claim under the Individual Agreement is jeopardized by the Partner’s insufficient ability to perform at the time the order is accepted, or if any other reason within the meaning of Section 321 (1) of the German Civil Code (BGB) exists. The same shall apply, notwithstanding the provision in Clause 25, to the performance of an order, to which Section 321 (1) sentence 2 and (2) BGB shall additionally apply.

6. CAWi is furthermore entitled to terminate the Agreement without notice for good cause. Good cause shall exist in particular if, after conclusion of the Agreement, it becomes apparent that the payment claims arising under the Agreement are jeopardized by the Partner’s insufficient ability to perform and, despite being requested to do so, the Partner fails to provide credible assurance of its ability to perform within a reasonable period. Statutory rights of termination and withdrawal, as well as the rights pursuant to Clauses 25 and 39, shall remain unaffected.

7. Should individual provisions of these Terms and Conditions of Sale be or become invalid, this shall not affect the validity of the remaining provisions.

Termination of Contract, Price Adjustment

8. Agreements concluded for an indefinite term may be terminated by either party by giving three months’ notice to the end of a calendar quarter. Notice of termination must be given in writing.

In the event of termination, CAWi shall be entitled to acceptance of ordered products and to the takeover of material procured for such orders.

Furthermore, CAWi may be entitled to compensation for losses resulting from termination of the Agreement.

The Partner shall be entitled to delivery of those products which, at the time of delivery and in accordance with the agreements, are considered firm, confirmed delivery quantities.

9. If a material change occurs in wage, material or energy costs under an Agreement, the Seller shall be entitled to request an appropriate adjustment of the price taking these factors into account. In the event of changes, in particular in material costs, prices shall be reviewed on 2 January and 1 July of each year and adjusted where applicable. Price changes shall be announced with one month’s prior notice.

In the event of extraordinary cost changes, a price adjustment may be made at any time without observing the aforementioned dates.

10. If the Partner purchases less than the agreed target quantity, with the calendar year being the assessment period, CAWi shall be entitled to increase the unit price in accordance with the new calculation basis.

11. Additional costs caused by subsequent changes made by the Partner to call-offs with regard to timing or quantity shall be borne by the Partner, unless the Partner is not responsible for the delay or subsequent change.

Confidentiality

12. Each contracting party shall use all documents (including samples, models and data) and knowledge obtained through the business relationship solely for the purposes jointly pursued and shall keep them confidential from third parties with the same degree of care as it applies to corresponding documents and knowledge of its own, if the other contracting party has designated them as confidential or has an obvious interest in their confidentiality.

This obligation shall commence upon first receipt of the documents or knowledge.

The preparation of a separate confidentiality agreement shall remain unaffected.

13. The obligation shall not apply to documents and knowledge which are generally known or which were already known to the contracting party upon receipt without it being under an obligation of confidentiality, or which are subsequently transmitted by a third party entitled to disclose them, or which are developed by the receiving contracting party without using documents or knowledge of the other contracting party that must be kept confidential.

Drawings and Descriptions

14. If one contracting party provides the other with drawings or technical documents relating to the goods to be delivered or their manufacture, these shall remain the property of the contracting party providing them.

Production Tools

15. If the Partner commissions CAWi to procure the tool required for manufacturing the product, the tool shall be invoiced in accordance with the agreements. Title shall pass to the Partner after payment has been made in full. By placing the order, the Partner agrees to assume ownership. An output quantity shall be agreed for the tool. In the event of wear of the tool, the Partner shall bear the costs of any reworking or of manufacturing a new tool.

CAWi shall submit an offer for these services and shall perform the work following the corresponding order, or supervise such work at its sub-suppliers.

16. The costs of servicing, maintenance and proper storage, as well as the risk of damage to or destruction of the production equipment, shall be borne by CAWi.

17. If the Partner suspends or terminates the cooperation during the period in which the tools are being manufactured, all expenses incurred up to that point shall be borne by the Partner. Such expenses shall be payable net immediately upon invoicing.

18. Even if the Partner has paid for the tools, they shall remain in CAWi's possession at least until the supply agreement has been completed. Thereafter, the Partner shall be entitled to demand surrender of the tools. Surrender shall be subject to an amicable arrangement and to the Partner having fully complied with its contractual obligations.

19. CAWi shall store the tools free of charge for two years after the last delivery to the Partner. Thereafter, CAWi shall request the Partner in writing to state within six weeks how the tools are to be used in the future. CAWi's obligation to store the tools shall end if no statement is made within those six weeks or no new order for manufacture of the product is placed. If no declaration by the Partner has been received, a reasonable storage fee shall become due upon expiry of the six-week period. After six months, CAWi shall deliver the tools to the Partner at the Partner's expense, provided that the tools are owned by the Partner.

If the tools are owned by CAWi, they shall be scrapped after expiry of six months.

20. Customer-specific production equipment may be used by CAWi for supplies to third parties only with the Partner's prior written consent.

Prototypes

21. If the Partner commissions CAWi to supply prototype parts, the production equipment required for this purpose, such as auxiliary tools, bending forms, blanks, etc., shall be offered to the Partner under the term "prototype tools".

The production equipment is suitable for manufacturing a limited agreed quantity. The "prototype tools" are individually designed for production on a specific machine fleet.

As a matter of principle, the production equipment shall remain the property of CAWi. The same shall apply to the know-how relating to the layout and manufacturing method of the prototype parts.

Prices

22. The agreed prices are stated in euros and are exclusive of the applicable value-added tax, packaging, freight and insurance.

Payment Terms

23. All invoices shall be due for payment within 14 days from the invoice date.

24. If CAWi has undisputedly delivered goods that are partially defective, our Partner shall nevertheless be obliged to make payment for the defect-free portion. The Partner may set off claims if they have been established by final judgment, are ready for decision, or are undisputed. Any right of retention or refusal of performance on the part of the Partner shall likewise exist only within these limits.

25. If the payment term is exceeded, we shall be entitled to charge default interest at the rate charged to us by the bank for current-account loans, but at least eight percentage points above the respective base interest rate of the European Central Bank.

26. In the event of late payment, we may, after giving written notice to the Partner, suspend performance of our obligations until payment is received.

27. Bank transfers and crossed cheques are accepted as the exclusive means of payment.

28. The assignment of receivables to third parties is permissible.

29. Payments received from the debtor shall be allocated in accordance with Section 366 (2) BGB.

30. If the debtor defaults on one receivable, all other receivables against that debtor may also be declared due.

31. The debtor shall bear all fees, costs and expenses incurred by the customer or by a third party to whom the receivable has been assigned in connection with successful collection proceedings outside Germany.

Delivery

32. Unless otherwise agreed, delivery shall be EXW, Incoterms 2010. For compliance with the delivery date or delivery period, the relevant point in time shall be our notification that the goods are ready for dispatch or collection.

33. The delivery period shall commence upon dispatch of our order confirmation and shall be extended by a reasonable period if the conditions of Clause 57 are met.

34. Partial deliveries are permissible to a reasonable extent.

35. Production-related excess or short deliveries are permissible within a tolerance of 15 percent of the total order quantity.

Shipment and Transfer of Risk

36. Goods reported ready for shipment shall be accepted by the Partner without delay. Otherwise, we shall be entitled, at our option, to dispatch them or to store them at the Partner's expense and risk.

37. Unless otherwise specifically agreed, we shall select the means of transport and the transport route.

38. Risk shall pass to the Partner upon handover to the railway, forwarding agent or carrier, or upon commencement of storage, but no later than when the goods leave the factory or warehouse, including where we have undertaken delivery.

Delay in Delivery

39. If we can foresee that the goods cannot be delivered within the delivery period, we shall immediately inform the Partner thereof in writing, state the reasons, and, where possible, indicate the expected delivery date.

40. If delivery is delayed due to a circumstance specified in Clause 57 or due to an act or omission of the Partner, the delivery period shall be extended by a reasonable period appropriate to the circumstances.

41. The Partner shall be entitled to withdraw from an Individual Agreement only if we are responsible for failure to comply with the delivery date and the Partner has unsuccessfully granted us a reasonable additional period for performance.

Retention of Title

42. We retain title to the goods delivered until all claims arising from the business relationship with the Partner have been satisfied.

43. The Partner shall be entitled to sell such goods in the ordinary course of business as long as it duly meets its obligations arising from the business relationship with us. However, it may neither pledge the goods subject to retention of title nor transfer them by way of security. It is obliged to safeguard our rights when reselling the goods subject to retention of title on credit.

44. In the event of breaches of duty by the Partner, in particular default in payment, we shall, after a reasonable period set for performance has expired without result, be entitled to withdraw from the Individual Agreement and to repossess the goods; the statutory provisions concerning cases in which setting a period is unnecessary shall remain unaffected. The Partner shall be obliged to surrender the goods.

45. The Partner hereby assigns to us by way of security all claims and rights arising from the sale or any leasing of goods permitted to the Partner in respect of which we hold ownership rights. We hereby accept the assignment.

46. Any processing or transformation of the goods subject to retention of title shall always be carried out by the Partner on our behalf. If the goods subject to retention of title are processed together with or inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the invoice value of the goods subject to retention of title to the value of the other processed or mixed items at the time of processing or mixing.

If our goods are combined with or inseparably mixed with other movable items to form a single item and the other item is to be regarded as the principal item, the Partner shall transfer to us proportional co-ownership to the extent that the principal item belongs to the Partner. The Partner shall hold the ownership or co-ownership on our behalf. In all other respects, the same provisions as for the goods subject to retention of title shall apply to the item created by processing, combining or mixing.

47. The Partner shall notify us immediately of any enforcement measures by third parties against the goods subject to retention of title, the receivables assigned to us or other securities, and shall provide us with the documents necessary for intervention. The same shall apply to impairments of any other kind.

48. If the value of the existing securities exceeds the secured claims in total by more than 20 percent, we shall, at the Partner's request, be obliged to release securities of our choice to that extent.

Defects / Quality

49. The quality of the goods shall be determined exclusively by the agreed technical delivery specifications. If we are required to deliver according to drawings, specifications, samples, etc. of our Partner, the Partner shall bear the risk that they are suitable for the intended purpose. The decisive point in time for determining whether the goods are in conformity with the Agreement shall be the time of transfer of risk pursuant to Clause 33.

45a. For our deliveries, we comply with the applicable statutory regulations of the European Union and the Federal Republic of Germany, e.g. the REACH Regulation (Regulation (EC) No. 1907/2006), as well as the national implementations of Directives 2002/95/EC (RoHS I) and 2011/65/EU (RoHS II), in each case in the currently applicable version.

We shall inform the Partner without delay of relevant changes to the goods, their availability, possible use or quality, in particular changes caused by the REACH Regulation, and shall agree suitable measures with the Partner on a case-by-case basis.

45b. CAWi's quality guidelines are binding for all deliveries. This also applies to deliveries made to us by sub-suppliers.

50. We shall not be liable for material defects caused by unsuitable or improper use, defective assembly or commissioning by the Partner or third parties, normal wear and tear, or faulty or negligent handling, nor for the consequences of improper modifications or repair work carried out by the Partner or third parties without our consent. The same shall apply to defects that only insignificantly reduce the value or usability of the goods.

A prerequisite is a proper incoming-goods inspection in accordance with Sections 377 et seq. of the German Commercial Code (HGB), which is generally binding for all our deliveries.

51. Unless otherwise agreed, the limitation period for claims based on material defects shall be governed by law.

52. If acceptance of the goods or an initial sample inspection has been agreed, complaints regarding defects that the Partner could have detected upon careful acceptance or initial sample inspection shall be excluded.

53. We shall be given the opportunity to establish the defect complained of. Goods complained of shall, upon request, be returned to us without delay; we shall bear the transport costs if the complaint is justified. If the Partner fails to comply with these obligations or makes changes to goods already complained of without our consent, it shall lose any claims based on material defects.

54. In the event of a justified complaint made in due time, we shall, at our option, repair the goods complained of or supply defect-free replacement goods.

55. If we fail to comply with these obligations, or fail to comply with them in accordance with the Agreement within a reasonable period, the Partner may set us a final written deadline within which we must fulfil our obligations. After expiry of this deadline without result, the Partner may demand a reduction in the price, withdraw from the individual purchase agreement, or carry out the necessary rectification itself or have it carried out by a third party at our expense and risk.

Reimbursement of costs is excluded to the extent that the expenses increase because, after our delivery, the goods have been taken to a place other than the intended place of use, unless this corresponds to the intended use of the goods.

56. The Partner shall have statutory rights of recourse against us only to the extent that the Partner has not entered into any agreements with its customer that go beyond the statutory claims for defects. Clause 50, last sentence, shall apply accordingly to the scope of the rights of recourse.

Other Claims, Liability

57. Unless otherwise provided below, all other and further claims of the Partner against us are excluded. This applies in particular to claims for damages due to breaches of obligations arising from the contractual relationship and from tort. We shall not be liable for damage that has not occurred to the goods delivered themselves. In particular, we shall not be liable for loss of profit or other financial losses of the Partner.

58. The limitation of liability shall not apply in cases where liability exists under the German Product Liability Act for personal injury or property damage to privately used items caused by defects in the goods delivered. Nor shall it apply in the event of injury to life, body or health, or in the absence of warranted characteristics, if and to the extent that the warranty was specifically intended to protect the Partner against damage not occurring to the delivered goods themselves. Nor shall it apply to expenses pursuant to Section 439 (3) BGB.

59. To the extent that our liability is excluded or limited, this shall also apply to the personal liability of our salaried employees, workers, staff members, legal representatives and vicarious agents.

60. The statutory provisions regarding the burden of proof shall remain unaffected.

Force Majeure

61. Force majeure, industrial disputes, unrest, official measures, failure of our suppliers to make deliveries, and other unforeseeable, unavoidable and serious events shall release the contracting parties from their performance obligations for the duration of the disruption and to the extent of its effects. This shall also apply if these events occur at a time when the affected contracting party is in default, unless it caused the default intentionally or through gross negligence. The contracting parties are obliged, within the bounds of what is reasonable, to provide the necessary information without delay and to adapt their obligations to the changed circumstances in good faith.

Place of Performance, Jurisdiction and Applicable Law

62. Our registered office shall be the place of performance.

63. Our registered office shall be the place of jurisdiction for all legal disputes arising out of and in connection with an Agreement, including proceedings relating to bills of exchange and cheques. We shall also be entitled to bring an action at the Partner's registered office.

64. The contractual relationship shall be governed exclusively by the law of the Federal Republic of Germany. Application of the United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods (CISG - "Vienna Sales Convention") is excluded.