

# General Terms and Conditions of Purchasing of Coroplast Group

## 1. **Scope of Application**

1.1 The following Terms and Conditions of Purchasing apply exclusively to all purchases by the Coroplast Group (Coroplast Fritz Müller GmbH & Co. KG, Wuppertal, Germany; Coroplast Harness Technology Sp. z o.o. sp.k. and Coroplast Polska Sp. z o.o. sp.k., both Strzelce Opolskie, Poland - hereinafter referred to as Coroplast).

1.2 Other terms and conditions do not become part of the contract even if Coroplast has not expressly objected to their application. Under no circumstances can Coroplast's acceptance of a shipment/performance without express objection be interpreted as Coroplast's acceptance of the supplier's terms and conditions of delivery.

1.3 These Terms and Conditions of Purchasing also apply to any future contractual relationships with the supplier.

## 2. **Conclusion of Contract**

2.1 If the supplier prepares a quotation based on a query from Coroplast, it shall observe precisely the specifications in the query and expressly point out any deviations from the specifications the quotation may contain.

2.2 If the supplier does not accept the order within two (2) workdays of its receipt, Coroplast is entitled to revoke the order.

2.3 Release orders become binding if the supplier has not objected to them in text form within two (2) workdays of their receipt.

2.4 Remuneration for visits or the preparation of quotations, projects etc. will not be paid unless remuneration has been expressly agreed or there is a statutory claim to remuneration.

2.5 The supplier shall maintain confidentiality regarding the conclusion of the contract and may not refer to the business relationship with Coroplast in its advertising materials until Coroplast has given its written consent to the reference.

## 3. **Prices, Shipment, Packing**

3.1 The agreed prices are fixed prices, including packaging, and exclude any subsequent claims of any nature. Unless otherwise agreed in writing, goods will be delivered, including packaging, "DDP Named Destination" (Incoterms 2010). If a price has been agreed as "EXW" (Incoterms 2010), "FCA" (Incoterms 2010), "ex works", "ex warehouse" or similar conditions, the regular forwarder specified by Coroplast shall be engaged.

3.2 Delivery notes, bills of lading, invoices and all correspondence shall include Coroplast's order number. Quotations shall be designated with the query number.

3.3 Coroplast accepts only the ordered quantities or number of units. Excess or shortfall deliveries are only allowed with Coroplast's prior consent.

3.4 The supplier is obligated to accept return of packing materials in accordance with statutory provisions. The goods must be packed in such a manner that transport damage is avoided. Packing materials shall be used only to the extent required to achieve this result. Where appropriate, environmentally-friendly packing materials shall be used whenever possible. If, in exceptional cases, Coroplast is billed separately for packing materials, Coroplast is entitled to return to the supplier freight paid any packing material that is in good condition against reimbursement of 2/3 of the value specified in the invoice.

## 4. **Billing, Payment**

4.1 Invoices shall be submitted separately in the required form, together with all relevant documents and data necessary for understanding, following completion of the delivery. Until a correctly issued invoice has been submitted, Coroplast has the right to refuse performance. The actual quantities, weights or other units used as the basis of the shipment as well as the agreed prices are decisive for payment.

4.2 Payment will be made through the channels usual in the trade. Unless otherwise agreed in writing, Coroplast pays within fourteen (14) days of receipt of the invoice and goods subject to a cash discount of 2% or net within thirty (30) days. The payment shall be deemed timely if a transfer order is submitted on the last day of the payment period.

4.3 If certifications of material inspections have been agreed, they comprise an essential component of the delivery and shall be sent to Coroplast with the delivery, but no later than five (5) days after receipt of the invoice. The payment period does not commence until the agreed certification has been received.

4.4 The settlement of an invoice shall not be deemed the waiver of a complaint due to defects related to the billed goods. In the event of incorrect delivery, Coroplast is entitled to retain payment proportionately until correct fulfilment.

4.5 In the event of advance payments, the supplier shall provide reasonable security in the form of a bank guarantee from a reputable large bank.

4.6 Should Coroplast be in default of payment, the supplier may declare rescission of the contract solely after setting a deadline for payment, including a warning of rejection.

## 5. **Delivery Dates, Default of Delivery, Force Majeure**

5.1 Agreed delivery dates are binding; the supplier is in default of delivery, even if no reminder has been issued, upon the lapse of a fixed delivery date. The reference for compliance with the delivery date or delivery period is the receipt of the goods at the place of receipt or use specified by Coroplast. If Coroplast has not specified a place of receipt or use, the occurrence of the default is based on the relevant contractual agreement.

5.2 If the supplier realises that an agreed delivery date cannot be met for whatever reason, it shall notify Coroplast in writing without delay, giving the reasons and the presumed duration of the delay, and will describe the actions it has taken to avoid the default and to limit any loss or damage from the default.

5.3 If the supplier is in default because the delivery date has been exceeded, Coroplast is entitled to request payment of a contractual penalty in the amount of 0.1% of the order value for each workday of delay, not exceeding in the aggregate 5% of the order value. The reservation of the request for payment of the contractual penalty may be exercised at any time until payment of the invoice. The contractual penalty shall be offset against any claims for damages related to the default. Coroplast reserves the right to assert damage claims in excess of the contractual penalty.

5.4 The supplier may plead the defence of Coroplast's failure to provide required documents solely in case it has submitted a written reminder to provide the documents and they have not been received within a reasonable period.

5.5 In the event of delivery before the agreed date, Coroplast reserves the right to return the goods at the supplier's expense. If the goods that are delivered before the agreed date are not returned, the goods will be stored at Coroplast at the supplier's expense and risk until the agreed initial delivery date. Furthermore, Coroplast reserves the right to pay the goods only on the agreed due date calculated from the agreed initial delivery date.

5.6 Coroplast accepts partial deliveries only with prior agreement. If partial delivery is made with agreement of Coroplast, the remaining delivery items must be listed. The acceptance of partial deliveries shall not be regarded as acknowledgement of such deliveries.

5.7 Force majeure releases the parties from their performance obligations for the duration and to the extent of the force majeure event. The parties are obligated to provide without delay and to the extent reasonable and necessary information to each other and to adapt in good faith their obligations in accordance with the changed circumstances. Coroplast is released from the obligation to accept the ordered product/service, in whole or in part, and to this extent is entitled to rescind the contract, if - taking into consideration commercial factors - Coroplast can no longer utilise the product/service because of the delay caused by force majeure.

## 6. **Liability**

The supplier is liable in accordance with statutory provisions to the extent that deviating terms have not been regulated in these Terms and Conditions of Purchasing.

## 7. **Liability for Defects**

7.1 The supplier warrants that the supplied goods are free of any defects.

7.2 The warranty period is thirty-six (36) months unless otherwise expressly agreed or statutory provisions provide for a longer warranty period.

7.3 Coroplast shall inspect incoming goods solely to determine whether there is any visible outside damage and deviations in identity and quantity visible from the outside (packing and transport damage). Coroplast will notify the supplier of any such defects without delay, in any case within five (5) workdays after receipt. Coroplast will notify the supplier without delay, but in any case, within five (5) workdays, of any further defects that have been discovered during the ordinary course of business. To this extent, the supplier waives the objection of delayed notification of defects.

7.4 In case of delivery of defective goods Coroplast has the right to choose between rectification or replacement of the defective goods ("subsequent performance") unless the supplier has a right to legitimately refuse the subsequent performance chosen by Coroplast or such choice is unreasonable.

7.5 After the fruitless lapse of a reasonable period set by Coroplast for rectification or replacement of the defective goods ("subsequent performance"), and without prejudice to any other remedies Coroplast may have under applicable law, Coroplast may remedy the defect itself and request compensation for the required expenditures, unless the supplier has a right to legitimately refuse the subsequent performance chosen by Coroplast. Coroplast may, in urgent cases for which the supplier is accountable (especially, but not solely, to avoid the risk of substantial damage or loss), remedy the defects itself at the supplier's expense even without setting a deadline for subsequent performance, provided that the urgency of the matter makes it impossible to notify the supplier of the defect and the imminent damage or loss and to set a deadline (even one on short notice) for the supplier to remedy the defect.

## 8. **Product Liability, Insurance**

8.1 The supplier shall indemnify and hold harmless Coroplast from and against any third-party claims asserted against Coroplast because of the violation of governmental security regulations or pursuant to product liability regulations or laws, whether in Germany or abroad, resulting from defects in any goods supplied by the supplier. Furthermore, the supplier shall also reimburse to Coroplast the costs of any necessary recall action unless the supplier is not accountable for the defect.

8.2 The supplier must obtain a reasonable amount of insurance covering any and all risks arising from product liability, including recall risks (extended product liability); the policy shall have a minimum sum insured of ten million (10.000.000) euro. Upon request, the supplier will present the insurance policy for inspection or send a copy of the policy to Coroplast. The insurance policy shall be maintained throughout the term of the supply relationship. Coroplast shall be notified without delay of any changes in the insurance policy.

## 9. **Guarantee**

9.1 The supplier guarantees that all deliveries and services correspond to state-of-the-art technology and science and are in compliance with all applicable legal provisions.

9.2 The supplier guarantees that the delivery and utilisation of the goods delivered does not infringe any patents, licences or other third-party intellectual property rights in the countries (i) in which the supplier supplies the goods, and/or (ii) in which the final location of the Coroplast products is found. If the supplier is aware that Coroplast also markets the goods in other countries, the above provisions shall also apply to any such countries.

## 10. **Intellectual Property Rights, Defects in Title**

10.1 The supplier indemnifies and holds harmless Coroplast and customers of Coroplast from and against any third-party claims based on the alleged infringement of intellectual property rights asserted against Coroplast with respect to the supply of the goods. Furthermore, the supplier bears all expenses incurred by Coroplast with respect to the infringement of intellectual property rights unless the supplier is not accountable for the infringement of the intellectual property rights.

10.2 In the event of the infringement of intellectual property rights, the supplier initially has the right to conduct negotiations with the owner of the intellectual property rights regarding the existence, content and scope of the intellectual property rights and the amount of a reasonable licence fee.

10.3 If the dispute leads to court proceedings, Coroplast is entitled to join the litigation on the supplier's side. If the supplier loses the litigation, it shall reimburse to Coroplast the costs of the litigation, provided that Coroplast is not accountable for the loss.

10.4 If the supplier does not conduct the negotiations or fails in its attempt to conduct negotiations, Coroplast is entitled to obtain, at the supplier's expense, the approval for use of the relevant goods and services from the owner of the intellectual property rights. The above claim is limited in its amount to the reimbursement of the purchase price and compensation for any loss or damage resulting from the infringement on the intellectual property rights.

10.5 The above regulations apply mutatis mutandis in the event of any other defects in title.

#### **11. Notification Obligations**

11.1 Irrespective of any other notification obligations, the supplier must automatically notify Coroplast of any modifications of the goods if the contractually agreed properties (e.g. specification) has changed in comparison with a product previously supplied under the same designation.

11.2 The supplier shall communicate to Coroplast all information that is relevant for the assessment of the risk to safety and health of users of the goods or of third parties.

11.3 In case one of the supplier's customers has classified it in a special status, the supplier is obliged to notify Coroplast of the classification within ten (10) days.

#### **12. Quality Assurance**

The supplier shall secure state-of-the-art quality assurance measures of appropriate nature and in appropriate scope and upon request present to Coroplast verification of said measures. The supplier will conclude a quality assurance agreement with Coroplast to the extent that Coroplast regards such an agreement to be necessary.

#### **13. REACH**

13.1 The supplier expressly covenants to supply to Coroplast only goods that fulfil the requirements of the European Regulations (EC) No. 1907/2006 ("REACH Regulation") and (EC) No. 1272/2008 ("CLP Regulation").

13.2 The supplier shall indemnify and hold harmless Coroplast from and against all third-party claims if it is in breach of clause 13.1.

13.3 The supplier agrees to notify Coroplast without delay, automatically and specifically if the goods (substance, mixture or article) contain a substance that meets the criteria of Articles 57 and 59 of the REACH Regulation (so-called substances of very high concern such as the substances listed in Annex XIV of the REACH Regulation).

13.4 If Coroplast is obligated pursuant to Article 37 REACH Regulation to prepare a substance safety report and consequently requires information about the goods from the supplier, the supplier is obligated to provide the requested information within a period of 30 days after receipt of the relevant request.

#### **14. Spare Parts Supply**

14.1 To the extent that the supplier provides goods that are incorporated in Coroplast products that are in turn provided by Coroplast, either through other suppliers or directly, to the automotive industry, or if Coroplast has any other contractual obligation to maintain an inventory of spare parts for its products („Coroplast OEM Part“), the supplier shall ensure that goods can be supplied as spare parts to Coroplast for a period of fifteen (15) years after the end of the series production of the Coroplast OEM Part.

14.2 If the provision of a product as spare part becomes impossible through no fault of the supplier, the supplier agrees to provide appropriate substitutes. The provision of a product as spare part would be impossible, for instance, if a substance that in the meantime has been prohibited would have to be used for manufacturing in accordance with the specifications.

14.3 For the first three (3) years after the end of the series production of the Coroplast OEM Part, the price for the goods provided as spare parts must correspond to the most recently agreed price between the parties. Upon lapse of this three-year period, the parties will negotiate a reasonable price. The price for a product procured as a spare part shall not be higher than the price for a corresponding part on the relevant open market.

14.4 If production of the goods is discontinued before expiration of the period designated in clause 14.1, the supplier agrees to make available to Coroplast, on request and against reasonable consideration, any design documents, drawings and other documentation required for production of the goods along with the tools and any necessary other materials.

#### **15. Confidentiality**

15.1 Each of the parties agrees to treat as confidential and not to disclose to any third party any commercial or technical details disclosed to it by the other party ("Information") for a period of five (5) years as of the disclosure date of each Information.

15.2 Sub-suppliers of the supplier shall be obligated accordingly.

15.3 The obligations in clause 15.1 and clause 15.2 do not apply to any Information (i) that is in or has entered the public domain, (ii) that has been communicated or is communicated to the receiving party by an authorised third party who is not obligated to confidentiality, (iii) that was known to the receiving party prior to the date of receipt, (iv) that is developed by the receiving party itself independently and without any breach of the confidentiality obligations herein or (v) that must be disclosed pursuant to applicable law or to an order from a competent court (whereby in each case the receiving party – to the extent that it is obligated to disclose information – will immediately notify the other party in writing of its disclosure obligation). The party seeking the benefit of such exception shall bear the burden of proving its existence.

15.4 If the parties have concluded, or conclude in future, a non-disclosure agreement, said agreement shall prevail and replace the provisions of this section 15 as of its entry into force.

#### **16. Business Principles**

16.1 The supplier shall observe and follow all applicable laws and rules of the countries in which it conducts business. In particular, the supplier will not give any cash or non-cash gifts intended to influence the recipient.

16.2 Furthermore, the supplier acknowledges its commitment to fair competition and will conduct business in line with generally accepted ethical values and principles.

16.3 The supplier must comply with occupational safety and minimum wage laws in the countries in which it conducts business.

#### **17. Governing Law, Jurisdiction**

17.1 Those conditions and the contractual relationship between Coroplast and the supplier shall be governed by and construed in accordance with the laws of the Federal Republic of Germany excluding the UN Convention on Contracts for the International Sale of Goods (the Vienna CISG agreement).

17.2 In the event of a dispute between the parties relating to or arising hereunder the parties shall submit their dispute to the jurisdiction of the courts of Wuppertal, Germany. However, Coroplast shall also be entitled to bring any action before the courts of supplier's general place of jurisdiction.

Revision: January 2018