

**1. Relevant Regulations**

These Conditions of Purchasing shall apply exclusively to all our orders and contracts (hereinafter "order") governing the purchase of goods, services and work performance. Contradictory terms of delivery shall only apply if expressly acknowledged in writing by us. We hereby expressly object to any of the Supplier's notes or references as to the validity and applicability of his general terms and conditions. Our Conditions of Purchasing shall also apply exclusively if we do not object to the incorporation of our supplier's conditions in individual cases or if, although being aware of contrary or supplementary terms and conditions of the supplier, we accept a delivery without reservation. The following regulations shall apply for the delivery of production material, non-production material and services.

**2. Ordering and Order Confirmation**

- 2.1 Orders and/or subsequent changes must be made in writing to be binding on us. The written form includes fax, email or if agreed electronic data interchange (EDI, Web EDI). Deviations from this form requirement shall be effective only with our prior approval in writing or text form.
- 2.2 Acceptance of our order must be confirmed in writing, with indication of our complete order data. If the Supplier fails to accept the order within 10 working days as of receipt, we shall be entitled to cancel the order.
- 2.3 Prices specified in the order are fixed.

**3. Delivery Dates / Delay in Delivery**

- 3.1 Agreed delivery dates and deadlines shall be binding. Delivery schedules are binding, unless the Supplier raises any objections within one working week of receipt of said schedules. The date of receipt of the goods at the location specified in our order shall be decisive for compliance with the delivery date or deadline. The Supplier shall be responsible for notifying the carrier specified in our order. If a carrier other than the one specified by us is commissioned without our prior approval, the Supplier must bear any extra costs incurred as a result.
- 3.2 The supplier shall promptly notify us in writing of any potential delays or non-compliance with delivery dates and deadlines, explaining the reasons for the delay and specifying how long they are expected to prevail.
- 3.3 Should the Supplier exceed the agreed-upon delivery dates and deadlines, he shall be deemed in default without a reminder being required, provided that a certain date has been directly or indirectly stipulated within the scope of such agreed-upon delivery dates or deadlines.  
In case of default we shall be entitled, after the expiry of a reasonable grace period set by us, to have the service owed by the Supplier rendered by a third party at the Supplier's cost and expense, or to rescind the contract, or to demand compensation for the damages incurred. The Supplier shall be obligated to reimburse us for any and all extra costs incurred as a result of delayed delivery.
- 3.4 In the event of a culpable deviation from the delivery and packaging provisions or in the event of early delivery or excess delivery we shall be entitled to claim additional expenditure for logistics in form of damages in the amount of 2 local hourly rates of the i2M entity where the damage occurred plus the damages caused. The Supplier shall have the right to prove that we have not incurred any or that we have incurred less damage.
- 3.5 Acceptance of a delayed delivery or service does not imply waiver of any of our rights, in particular to claim for damages.

**4. Delivery / Shipping**

- 4.1 Each shipment must be accompanied by a delivery note including our complete order data.
- 4.2 The Supplier shall provide the buyer with any export control information (e.g. export list number) under each item of the invoice. The ECCN (Export Control Classification Number – US (re)- export control regulations) must also be given for each item. This information can be sent alternatively via email to the following address: [ausfuhrgenehmigung@mann-hummel.com](mailto:ausfuhrgenehmigung@mann-hummel.com). The Supplier makes sure signifying that the contractual relationship is between Supplier and i2M.
- 4.3 Suppliers that have their registered office in the European Community or Turkey must also confirm the preferential status of the goods supplied to the buyer using a supplier declaration with the wording required by law; wherever possible this declaration

should be a long-term supplier declaration. Supplier declarations that do not meet the legal requirements will not be recognized. Any relevant evidence must be procured and submitted by the Supplier without this being specifically requested. The Supplier shall bear any costs (e.g. customs duties) arising as a result of any failure to provide said evidence. The Supplier also undertakes to make verifiable statements regarding commodity code as well as the commercial origin of the goods supplied (using ISO alpha-2 codes) and provide suitable evidence to support these statements if required.

- 4.4 The Supplier undertakes to print commodity code and commercial origin as well as export list number (if relevant) of the goods supplied on his invoice.
- 4.5 The Supplier undertakes to inform the buyer immediately in writing in the event that any declaration of preferential status or commercial origin or commodity code, or any part thereof, ceases to be valid or is subject to change.
- 4.6 The Supplier agrees to comply with any relevant international security programs (e.g. C-TPAT/AEO F or C/KC Air Cargo Security) in order to ensure the punctual delivery of supplies to the buyer. If the Supplier does not utilize any of these security programs, they must provide a security declaration with the first delivery. New security declarations must be provided two year.
- 4.7 Unless otherwise agreed, deliveries shall be made to their destinations free of freight charges and packaging costs DAP (according to Incoterms 2010). In that case, the risk shall pass onto us at the time of receipt of delivery at the agreed-upon destination.

**5. Invoices / Payment Terms**

- 5.1 Invoices must include our complete order data (order no., date, delivery note no.). In case of noncompliance with this provision, the Supplier shall be responsible for any consequential delays in invoice processing and payment. Invoices must be submitted as specified in the order. We reserve the right to return invoices with incomplete or inaccurate order data or with inaccurate or incomplete billing address to the Supplier.
- 5.2 Unless a special arrangement has been made payment shall be made by way of bank transfer after 30 days net as of the day of receipt of the goods, but no earlier than as of receipt of the invoice. If the payment is made within 20 days, 3 % cash discount will be deducted.
- 5.3 In case of acceptance of early deliveries, maturity shall depend on the agreed-upon delivery date.
- 5.4 In case of short deliveries, we shall be entitled to retain payment in the amount of the outstanding delivery until proper fulfillment.
- 5.5 The supplier shall not be entitled to assign or otherwise dispose of its claims wholly or partly against us without our prior written consent.

**6. Supplier's Master Data**

The Supplier has to keep the provided data always updated. Every changes need to be communicated to us immediately. The Supplier has to register by e-mail at the following e-mail address: [suppliers@i-2-m.eu](mailto:suppliers@i-2-m.eu) and complete the questionnaire received by i2M.

**7. Force Majeure**

- 7.1 Force majeure such as wars, natural disasters, official measures (such as confiscation, ban on exports), other unforeseeable, unavoidable acts that are outside of the Supplier's field of influence and for which the Supplier is not responsible shall release the parties from their duties for the duration of the disturbance. The parties shall be obligated to immediately provide all and every information related to the force majeure. In cases of force majeure concerning us we shall also have the right, at our discretion, to wholly or partially withdraw from the contract
- 7.2 Shortage of raw material and strikes are not considered events of Force Majeure.
- 7.3 Should such event last longer than two months, the parties may terminate the respective agreement without notice.

**8. Notice of Defects**

- 8.1 Defects in the delivery will be notified to the Supplier once we discover them in the ordinary course of our business but not later than 10 working days following the detection.
- 8.2 Supplier shall perform an appropriate outgoing inspection.

**9. Defects**

- 9.1 Warranty claims for parts intended for automobiles or commercial vehicles shall expire within 24 months as of first-time registration of the vehicle or installation of the spare part, but no later than after 30 months as of delivery to us. For all other parts and delivery items, the warranty claims shall expire after 24 months as of delivery to our customers, unless other periods have been expressly stipulated in writing.
- 9.2 Unless provided otherwise in this clause 9, the Supplier shall be liable according to applicable statutory provisions, in particular for defects of the delivery, and this liability shall not be limited or excluded, neither in cause nor amount, and shall also indemnify and hold us harmless from and against any third party's claims to the same extent.
- 9.3 In case of defects of delivery, including the absence of an agreed-upon property, the Supplier shall be obligated to either – at our own option and notwithstanding our other legal remedies – promptly remove the defect free of charge or deliver parts that are free of defects (incl. in each case the necessary expenses, for example costs for installation and removal), or to reasonably reduce the purchase price. Should the Supplier be unable to do so, or should he fail to promptly comply with such obligation, we may rescind the contract and return the goods to the Supplier at his own risk and cost.  
In urgent cases, we shall be entitled to remove or have the defects removed at the Supplier's cost and expense, notwithstanding our other claims. The costs incurred in this connection shall be borne by the Supplier.
- 9.4 Supplier shall perform reasonable analyses and start corrective actions to remove the cause of the defect in order to prevent such defect from reoccurring.
- 9.5 Should the Supplier more than twice deliver defective goods or should he repeatedly provide defective services, we shall be entitled, after a written warning, to terminate the contract even in respect of deliveries that have not yet been made.
- 9.6 The Supplier shall be obligated to reimburse us any and all pertinent costs for repairs or for the replacement of defective goods that we might incur. For each handling of a warranty case, the Supplier shall pay liquidated damages in the amount of two (2) local hourly rates that the i2M entity - where the damage occurred - applies plus any additional costs or damages that we might incur. The Supplier shall have the right to prove that no damage was caused or the damage is materially lower.

**10. Liability**

- 10.1 Unless otherwise agreed herein, the Supplier shall be obligated to pay for the damages, including any consequential damages, incurred directly or indirectly as a result of a defective delivery or for any other reasons attributable to the Supplier and this liability shall not be limited or excluded, neither in cause nor amount, and shall also indemnify and hold us harmless from and against any third party's claims to the same extent.

**11. Product Liability**

- 11.1 The Supplier shall indemnify us from any third party claims arising out of the death of or injury to any person or damage to property, if and to the extent the causes for the respective claim lie in the Supplier's domain. The Supplier shall also reimburse us for all costs and expenses that we incur as a result of or in connection with a recall action or any other measures.
- 11.2 The Supplier shall undertake to maintain a product liability insurance (including coverage for extended product liability and recall costs) with a coverage of at least EUR 3,000,000 (EUR three million) in total per claim for personal, property or product-related damages; however, our claims shall not be limited to the covered amount.

**12. Quality, Environment and Documentation**

- 12.1 When making deliveries, the Supplier must comply with the generally accepted rules of technology and safety regulations as applicable from time to time. Insofar as we have provided the Supplier with drawings, samples or other provisions or documents, he shall comply therewith as regards the design and characteristics of the delivered item. Changes to the delivery item or to an already approved production process, or its relocation to a different place, require written notification in due time by the Supplier and our prior express written consent.

- 12.2 The Supplier shall maintain or develop a quality management system based on the applicable ISO standard in the version as applicable from time to time. Certificates from an accredited office or second-party certification and equal QM systems may be approved after prior review on our part. The Supplier shall provide us with the current certificate and shall update said certificate after expiry of the validity date without being specifically requested to do so. The Supplier must promptly notify us if the certificate is revoked.
- 12.3 Regardless of a successful sampling, the Supplier must constantly check the quality of delivery items and must perform re-qualification tests on a regular basis. The contractual partners must keep each other informed of the possibilities of further quality improvement.
- 12.4 The Supplier shall comply with any applicable environmental protection laws and standards. Continuous improvement of operational environmental protection and the avoidance of environmental pollution shall be ensured systematically according to generally accepted rules.
- 12.5 When making deliveries to the European Union, the Supplier shall be obligated to comply with the requirements of Regulation (EC) No. 1907/2006 of the European Parliament and of the Council dated 18 December 2006, concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). Products that do not fully comply with the requirements of REACH must not be supplied to us.
- 12.6 The Supplier shall put the same obligations on his subcontractors in accordance with the above provisions.

**13. Industrial Property Rights (IPR)**

- 13.1 The Supplier warrants that he will not infringe any registered industrial property rights (e.g. patents, trademarks, designs or utility models), copyrights or any other third party rights by selling and providing the supplied products to us as contractually agreed. He shall fully indemnify us against any and all third-party claims resulting from the use or infringement of such rights.
- 13.2 The contractual partners shall be obligated to promptly notify each other of any infringement risks and alleged infringement cases they become aware of and to give each other the opportunity to counter any such claims.

**14. Retention of Title**

In no event do we accept or acknowledge any extended or prolonged retention of title by the Supplier. Any retention of title by the Supplier requires a written agreement.

**15. Confidentiality**

- 15.1 The Supplier shall treat any information, formulas, drawings, models, tools, technical records, procedural methods, software and other technical and commercial knowhow made available by us or acquired through us, as well as any related work results (hereinafter "Confidential Information") strictly confidential towards third parties. The supplier may only use the Confidential Information in its own business for purposes of performing deliveries to us and may only make it available to such persons who need to have access to it in connection with our business relation and are bound by a respective confidentiality obligation. This provision shall apply beyond the duration of our business relation if and to the extent the supplier is unable to prove that the Confidential Information was known to him or was in the public domain already at the time it was acquired or was later made public without the supplier's fault.
- 15.2 We retain title to any documents (e.g. drawings, figures, test specifications), samples, models etc. made available by us to the supplier in the course of the business relation, they shall be returned to us or destroyed at the supplier's cost upon our request at any time, but no later than upon termination of the business relationship (including any copies, extracts and replicas). The supplier does not have any right of retention in relation to Confidential Information.
- 15.3 The disclosure of Confidential Information does not establish any industrial property rights, rights to knowhow or copyrights of the supplier and does not constitute a prior publication or right of prior use according to the applicable patent, design and utility model laws. Any kind of license is subject to a written agreement.

**16. Code of conduct for suppliers**

The Supplier shall observe the MANN+HUMMEL Code of Conduct when performing their deliveries and services. The Supplier

undertakes to safeguard human rights, comply with labour standards and not to tolerate discrimination or forced/child labour. The Supplier confirms that it does not tolerate any form of corruption or bribery. The Supplier will also require its subcontracted suppliers to comply with the Code of Conduct. The MANN+HUMMEL Code of Conduct can be accessed at [www.mann-hummel.com/coc](http://www.mann-hummel.com/coc). If the Supplier culpably infringes these obligations then, without prejudice to other claims, i2M shall be entitled to terminate the contract.

**17. General Provisions**

- 17.1 If any of the provisions contained in these Terms and Conditions and other agreements are or become invalid, it shall not affect the validity of the remaining contract. The Parties shall replace such invalid provision with a valid provision that best reflects the economic success of the invalid provision.
- 17.2 The place of performance for all deliveries shall be the place indicated in the order.
- 17.3 Unless otherwise agreed, the laws and only the laws of the Federal Republic of Germany shall apply. Application of the United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods shall be excluded.
- 17.4 The place of jurisdiction shall be Aschaffenburg, Germany.