

**MANN+HUMMEL (UK) LTD.**

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**1. Subject and definition**

1.1 The following definitions shall apply:  
"Supplier" means the person who sells the goods and/or services pursuant to the order;"we", "our", "us" refers to [M+H UK Entity] only.

1.2 The following terms and conditions of purchasing together with the purchase order (together, with any other applicable documentation, the "Contract") apply exclusively for the production and supply of non-production materials, investments, tools and for the performance of services of the Supplier to all of our locations in England and Wales.

In addition, the conditions regulated in Appendix 1 apply for the production and supply of machines, equipment and tools.

Appendix 2 is relevant for the performance of information technology services.

1.3 No terms or conditions endorsed on, delivered with, or contained in the Supplier's quotation, sales conditions, confirmation of order, specification or other document shall form part of the Contract except to the extent that we otherwise agree in writing. Neither our silence nor the acceptance of the service nor payment for the service may be deemed as acceptance.

**2. Ordering, Order confirmation**

2.1 Contracts, orders, agreements or amendments must be made in writing in order to be binding. Communication sent by fax, e-mail or other telecommunications (EDI, Web-EDI) shall also be considered written communication. A signature on our part is not required. Deviations from agreements that have been made and our orders shall only be effective once our prior written consent has been given.

2.2 The acceptance of our order by the Supplier must be confirmed in writing with a statement of our complete order number, date, delivery note number ("Order Data") in the form we have specified. If the supplier does not accept the order within 10 days of receipt, we shall be entitled to cancel.

2.3 Quotations from the Supplier are binding and will not be remunerated unless an agreement has been made.

**3. Prices, payment conditions, invoices**

3.1 The agreed prices and remuneration rates are fixed and include recurring travel costs and times, costs for material, delivery, insurance and use of the Supplier's test systems unless an agreement to the contrary has been made. All prices quoted are exclusive of VAT unless it is stated otherwise.

3.2 If a total price has been agreed and an amendment of the service is agreed after the contract has been concluded which leads to a reduction in the scope of service then an amended total price shall be agreed based on the base price used for the contract price in consideration of the reduced costs. The same applies in the event of an increase in the scope of services agreed after the conclusion of the contract if the supplier has made a written reference to the need for a price adjustment before the agreement of the amendment leading to the increase.

3.3 When preparing invoices, our complete Order Data must be stated. If necessary, a copy of the acceptance record or the report must be enclosed with the invoice

as an appendix. These must be properly signed by someone with the correct authority and have legible names included. If this condition is not fulfilled then the supplier shall be responsible for any resulting delays in invoice processing and settlement. Invoices must be made out and sent to the invoice address stated on the order or as otherwise requested by us. We reserve the right to return invoices with incomplete or incorrect order information or incorrect or incomplete invoice addresses to the Suppliers. If this clause 3.3 is not fulfilled then the Supplier shall be responsible for any resulting delays in invoice processing and settlement.

3.4 All goods purchased under these terms and conditions shall be delivered by the Supplier to the location specified by us on our order, or any other location we reasonably request. Title to the goods shall pass on payment or delivery whichever is earlier.

3.5 If possible and necessary, the Supplier shall enclose a delivery note with each delivery of goods. In addition to the normal information, this shall include our order number and state the delivery amount in the units of measure we stated in the order. If we have distributed an article over several items in the order then this distribution must be adopted accordingly in the delivery note and the invoice.

3.6 If no special agreement has been made then payment shall be made via bank transfer 30 days net after the receipt of a valid invoice at our nominated location. If the payment is made within 20 days, a 3% cash discount will be deducted from the price.

3.7 Payments or acceptance of goods or services from us does not represent acknowledgement of proper contractual performance by the Supplier and shall not constitute a waiver of any of our rights. We shall not be deemed to have accepted the goods until they have been delivered or the services until performed and in each case until we have notified the Supplier in writing confirming our acceptance. We are entitled to reject any goods which are not in compliance with the terms and conditions.

3.8 Without our prior written consent the Supplier is not entitled to cede its receivables against us or have them collected by third parties. If the Supplier cedes its receivables against us without our consent then the cession shall still be effective. However we may choose to make performance to the Supplier or the third party with discharging effect.

**4. Deadlines, default**

4.1 Agreed performance deadlines and periods are binding. The contractual service must be performed or supplied to us or to the recipient specified by us; otherwise the supplier shall not be considered to have complied with the performance deadline or period. Exceeding the agreed performance deadlines or periods shall result in the supplier being in breach of these terms without this requiring a reminder.

4.2 The Supplier must inform us immediately in writing of an identifiable delay in their service or delivery with a statement of the reason and the anticipated duration of the delay.

4.3 Where the Supplier has caused a delay, provided that nothing to the contrary is agreed, a 0.5% discount to the total order price stated in the invoice shall be applied per commenced week of delay. This discount

- shall apply up to a maximum of 5% of the total order value. We reserve the right to any further claim for compensation or loss due to late or failed delivery or any breach of this Contract, over and above this contractual penalty. If the contractual penalty is not enforced immediately by us after the start of the delay, this shall not mean that enforcement of the contractual penalty has been waived and instead we shall be entitled to enforce the contractual penalty on/before the final payment or to offset it against the final payment to the extent that a final payment has been agreed.
- 5. Employees of the Supplier and Supplier's subcontractors**
- 5.1 The Supplier's employees will be permitted on our premises with our prior consent solely for the purposes of performing the services and only in accordance with these terms and conditions and any reasonable instructions from us.
- 5.2 The Supplier has specialist and disciplinary managerial authority over its employees. This applies even if contractual services have to be carried out on our premises due to the specific project. The "guideline for external contractors MHG-HS-I-0011" applies for all services on our premises. The Supplier must comply with all of our instructions on plant security, confidentiality and health and safety.
- 5.3 We shall be entitled to expel the Supplier's employees and agents from the premises or to deny them access at any time if this seems to be appropriate to us for safety reasons, in particular as a result of the behaviour of the person in question. The Supplier must replace the person in question at its own cost.
- 5.4 The personnel used by the Supplier should only be changed in where necessary for the continued performance of the services. We must be given prior written notification of this change. In the event of a change in personnel the Supplier must ensure that new personnel are as qualified and suitable to perform the services as the personnel they are replacing.
- 5.5 If an employee used by the Supplier for contractual performance needs to be replaced with another employee due to reasons for which we are not responsible then the induction period shall be at the Supplier's expense.
- 5.6 The Supplier may only use subcontracted suppliers with our prior written consent.
- 5.7 The Supplier is obliged only to use employees for whom it complies with tax and social security regulations. The Supplier may only use workers who need a work permit if they are its own employees and they have a residency and work permit which is valid for the region where and time when the services are being performed. Corresponding evidence must be provided on request.
- 5.8 The Supplier shall ensure that only trained and sufficiently qualified specialist personnel are used for the performance of all services. Sufficient specialist professional experience shall be required for all employees used on our premises and evidence of this must be provided on request.
- 5.9 The Supplier undertakes that its employees or any personnel permitted on our premises for the purposes of its obligations under this Contract will be suitably experienced, knowledgeable and qualified to perform the services.
- 5.10 Employees must be remunerated as per the minimum wage regulations of the industrial agreement in the relevant country. Compliance must be confirmed when requested by us.
- 5.11 The Supplier's employees will not have any authority to bind or incur any expenditure in our name and will not be deemed to be employees of us.
- 6. Cooperation between the parties**
- 6.1 Both parties shall name a specialist person and their deputy who shall be available as a contact when carrying out the Contract and who are authorised to make the necessary decisions and to bind the each respective company where applicable. These persons may only be changed due to a significant reason; the other contractual partner must be informed of this immediately.
- 6.2 We are entitled to ask to view the performance of the services at any time.
- 6.3 Depending on the nature and scope of the project, the parties shall meet at regular intervals in order to determine the project progress and discuss upcoming matters. The content and result of the meetings must, if necessary and agreed, be recorded in minutes to be signed by both parties.
- 7. Travel expenses**
- If no special agreement has been made then each party shall bear the travel costs of its own employees itself.
- 8. Statutory provisions, regulations**
- The Supplier itself shall ensure compliance with the relevant valid statutory provisions and official regulations, in particular the relevant applicable safety and preventative regulations. Furthermore, if necessary the supplier shall obtain the required permits for the services at its own responsibility and expense.
- 9. Warranties and Liability**
- The Supplier warrants and represents that:
- (i) it shall ensure compliance with all applicable laws and regulations, including without limitation all relevant health and safety regulations; (ii) it shall obtain the required permits for the services at its own expense; (iii) it shall supply the services with reasonable care and skill with in the meaning of the Supply of Goods and Services Act 1982; and (iv) the goods are of satisfactory quality within the meaning of the Sale of Goods Act 1979, conform to their description and our specification and are free from defects in design, material and workmanship.
- Our total liability shall not exceed the value of the charges paid or payable by us under the Contract and we shall not be liable for consequential, in direct or special losses. Nothing in this Contract shall limit the liability of the parties for death and personal injury cause by negligence, fraud or fraudulent misrepresentation of any other losses that cannot be limited by English law.
- 10. Code of Conduct for Suppliers**
- The Supplier shall observe and procure that its employees and subcontractors observe our Code of Con-

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- duct ([www.mann-hummel.com/coc](http://www.mann-hummel.com/coc)) when performing its deliveries and services.
- The Supplier undertakes warrants and represents that: (i) neither it nor any of its officers, employees, agents or subcontractors has committed, or been notified that it is being investigated for, an offence under the Modern Slavery Act 2015 ("MSA"); (ii) it is not aware of any circumstances that could give rise to such an investigation or prosecution in its supply chain; (iii) it shall comply with the MSA at all times; and (iv) it shall notify us immediately of any circumstances that could lead to a breach of the MSA.
- Both parties shall comply and procure that its employees, sub-contractors and all others associated with that party comply with the Bribery Act 2010 (and any other applicable bribery laws or regulations) and have in place adequate procedures to prevent bribery. Neither party shall make or receive any bribe or other improper payment, or allow and such to be made or received on its behalf, and shall implement and maintain adequate procedures to ensure that such bribes or payments are not made or received directly or indirectly on its behalf. Where the parties come aware of a breach or possible breach they shall immediately notify the other party.
- If the Supplier or any of its employees or subcontractors infringes this clause 10 then, without prejudice to other claims, we shall be entitled to withdraw from the Contract or to terminate the Contract.
- 11. Data protection**  
The supplier is obliged to comply with data protection regulations in its deliveries and services. In particular it will oblige its employees to maintain data confidentiality as per the General Data Protection Regulation (GDPR), if these employees have access to personal data. If personal data are collected, processed or used by the supplier on behalf of MANN+HUMMEL or if personal data are accessible in the context of an IT service- or maintenance agreement, a contract has to be concluded which meets the requirements of Art. 28 GDPR.
- 12. Confidentiality**  
11.1 The Supplier is obliged to treat all information which it learns through us (e.g. business and trade secrets, data and its processing and results, other technical and commercial information of any kind) as confidential, only to use it to implement the contract. Third parties may not be made aware of the information in any way; this does not include employees and other agents if they need the information in order to implement the contract.  
11.2 The obligation for confidentiality shall exist even after the end of the contract.  
11.3 The obligation for confidentiality shall not exist in relation to information which is public knowledge or which the Supplier was made aware of by a third party without a duty of confidentiality being breached.  
11.4 The Supplier shall procure that its employees, agents, contractors, advisers and other persons it uses to perform its obligations will do so in accordance with this clause and shall be responsible for any actions of those persons as if they were the actions of the Supplier itself.
- 11.5 Suppliers may only use their business relationship with us for promotional purposes if they have our prior written permission.
- 13. Intellectual Property Rights**  
All of our specifications and all copyright, patents, inventions, project plans, know-how, trade secrets, trade marks, trade names, design rights, rights in get-up, rights in goodwill, rights in confidential information, rights to sue for passing off, domain names and all similar rights ("Intellectual Property Rights") in the good or services shall vest in and at all times remain the property of us and may only be used by the Supplier to perform this agreement. If the service contractually agreed with the Supplier results from a development or project planning order or forms any Intellectual Property Rights then we are the owner of the work result, all Intellectual Property Rights and the expertise. The Supplier agrees that it and its personnel will make all contributions necessary in order to transfer any such intellectual property to us with full title guarantee and to have it protected by patent.
- 14. Release from rights of third parties**  
The Supplier guarantees that no third party rights are infringed in relation to its service performance. In particular it shall ensure that the use of the objects and services it supplies does not infringe any third party rights. If claims are brought against us by a third party due to an infringement of its rights then the Supplier is obliged to release and indemnify us from these claims. The obligation to release and indemnify shall relate to all expenses which necessarily arise in relation to claims being brought by a third party.
- 15. Supplier master data**  
A DUNS number must be available in order for there to be a business relationship with Suppliers. An order may only be placed with Suppliers who are registered and approved with their DUNS number on our Supplier portal at the time of ordering.  
14.1 Our Suppliers' master data is managed via the supplier portal <https://www.srm-mann-hummel.com>. The Supplier commits to keep its data in the portal up to date at all times and to check the datasets at least once per year.
- 16. Force majeure**  
15.1 Events of force majeure, acts of war, natural disasters, official measures (e.g. seizure, export ban) and other unpredictable, unavoidable and serious events shall release the parties from the performance obligations for the duration of the disruption and to the extent of its effect. The parties are obliged to provide the necessary information as soon as is reasonably possible and to adjust the obligations to the altered circumstances in good faith.  
15.2 If an event of this nature lasts more than two months then the parties may withdraw from the contract in question (or the contractual obligations that have not yet been fulfilled) or terminate the contract in question without notice.
- 17. General provisions**  
16.1 If either party is unable to pay its debts within the meaning of s123 of the Insolvency Act or if an application or appointment is made or resolution passed for insolvency proceedings or in relation to its assets then the other party is entitled to withdraw from the unfulfilled part of the contract on written notice.

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- 16.2 The parties are independent persons and are not partners, principal and agent or employer and employee and the Contract does not establish any joint venture, trust, fiduciary employment or other relationship between them or their employees, other than the contractual relationship expressly provided for in it. None of the parties shall have, nor shall represent that they have, any authority to make any commitments on the other party's behalf.
- 16.3 If a provision of these conditions and further agreements that are made is or becomes ineffective, this shall not affect the validity of the rest of the contract. The parties are obliged to negotiate in good faith to replace the ineffective provision with an acceptable alternative which comes as close as possible to its economic purpose.
- 16.4 Except where expressly provided otherwise, a person who is not a party to the Contract shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of the Contract.
- 16.5 The Contract and any dispute arising in connection with the Contract (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales. The United Nations Convention on Contracts for the International Sale of Goods, dated 11 April 1980 shall not apply.
- 16.6 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, the Contract, its subject matter or formation (including non-contractual disputes or claims).

These terms and conditions of purchasing are the basis of the supply relationship existing with you and shall apply to all of your deliveries and services with immediate effect.

Please confirm these conditions for us by returning the signed document to us. Please contact your responsible purchaser at MANN+HUMMEL if you have any queries.

We, the Supplier, have received and acknowledged your current terms and conditions of purchasing for non-production material, investments, tools and services. In addition to the general conditions, we confirm that we acknowledge:

- Appendix 1: Additional conditions for the production and supply of machines, equipment and tools
- Appendix 2: Additional conditions for the performance of information technology services

\_\_\_\_\_  
Place, date

\_\_\_\_\_  
Signature, company stamp

**Appendix 1: Additional conditions for the production and supply of machines, equipment and tools**

- 1. Subject and definition**

These conditions apply in addition to the general conditions for all orders related to the production and/or supply of investment goods, equipment, machines and tools ("subject of the contract").
- 2. Delivery, shipping**
  - 2.1. A delivery note stating our complete Order Data must be enclosed with each delivery.
  - 2.2. 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)
  - 2.3. 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 the commercial origin of the goods supplied (using ISO alpha-2 codes) and provide suitable evidence to support these statements if required
  - 2.4. The Supplier undertakes to inform the buyer immediately in writing in the event that any declaration of preferential status or commercial origin, or any part thereof, ceases to be valid or is subject to change.
  - 2.5. 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 each year.
  - 2.6. Unless anything to the contrary is agreed, the deliveries shall be made carriage and packaging cost free to the destination – DAP (as per INCOTERMS 2010). In this case the risk is transferred at the time of delivery at the agreed destination.
- 3. Acceptance**
  - 3.1. The Supplier shall inform us in writing when its services have been completed. In accordance with the agreed acceptance conditions, we are obliged to check the services and to carry out and declare the acceptance if they comply with the contract, i.e. if the acceptance criteria have been met. The completed acceptance must be documented in writing in a report and signed by the parties.
- 3.2** In the event of the release or acceptance of part services, the services as a whole will only be accepted with the final acceptance related to the contractual interaction of all part services, in which case clause 3.1 applies accordingly in this respect.
- 4. Material defect liability/warranty**
  - 4.1. Claims for defects shall become time-barred at the end of 24 months from documented final acceptance, unless any different periods have been explicitly agreed in writing.
  - 4.2. The service or delivery must comply with state of the art, the specification, the agreed properties, the purpose of use, the quality requirements, the relevant environmental regulations, the valid ISO and British standards, the accident prevention regulations of the professional association, the relevant provisions and guidelines from the authorities and specialist associations and the statutory regulations.
  - 4.3. In the event of defects in the service or delivery, including the lack of agreed properties, the Supplier is obliged to remedy the defect immediately and free of charge without prejudice to any other statutory regulations. If the Supplier does not meet its obligation to remedy defects or if this does not succeed then we may accept the service or delivery and reduce the price or withdraw from the contract.
  - 4.4. Wearing parts, which in each case must be defined by the parties in the specification or in the individual contracts in a wearing parts list, are excluded from material defect liability.
- 5. Quality and environmental management**
  - 5.1. The Supplier commits to apply the principles of quality management and environmental management systems when carrying out its deliveries and services.
  - 5.2. The Supplier must constantly monitor the quality of its deliveries or services. At our request it is obliged to establish and maintain a quality assurance system according to a standard to be agreed with us.
  - 5.3. Environmental and health and safety regulations must be complied with at all times in the supplied services. Compliance by the Supplier with all statutory and safety-related requirements for restricted, toxic and hazardous substances is a mandatory requirement
- 6. Transfer of Ownership**

When final acceptance has been carried out we shall gain ownership of the subject of the contract, unless anything to the contrary is regulated in individual contracts.
- 7. Spare parts supply**

Unless anything to the contrary has been agreed, the Supplier is obliged to supply spare parts under reasonable conditions for the period of normal technical use, but at least for 10 years after the last delivery of the delivery item.

**Appendix 2: Additional conditions for the performance of information technology services**

**1. Subject and definition**

- 1.1. These conditions apply in addition to the general conditions for all orders related to information technology services.
- 1.2. Information technology services in the sense of these conditions are all services, including consultation in relation to the development, elaboration and practical introduction of computer programs, especially the production of specifications, functional specifications, requirement specifications, concepts and implementation as well as amendment and supplementation of programs, adjustment of standard programs, training and all system-related services, in particular the purchasing and procurement of standard software, hardware and related services.

**2. Amendment of the service**

- 2.1. If we require an amendment to the agreed service (e.g. hardware needs to be adapted to our operational processes) after the conclusion of the contract then the Supplier is obliged to observe the required amendment when performing its service unless this is not reasonable in view of its operational capacity and it informs us of this immediately (no later than within 10 working days of receiving the request for amendment) and in writing.
- 2.2. Within 10 working days of receiving the request for amendment, the Supplier must provide written notification of whether the amendment we have requested will have an effect on the agreed remuneration and execution period; reasons for any consequences must also be provided if applicable.
- 2.3. If extensive testing is needed in relation to the question of whether a required change can be implemented or in relation to its effect, in particular on the agreed remuneration and execution period, then the Supplier must provide written notification of this within the period stated in clause 2.2 with a statement of the reasons and the anticipated duration of testing. A separate agreement shall be needed for the performance of any such testing.
- 2.4. Until an agreement is concluded on the performance of testing as per clause 2.3 or on the amendment that we have requested, the services must be carried out as per the contractual agreements valid before the amendment request, provided that we do not request a break as per clause 2.

**3. Duties of cooperation**

- 3.1. We will provide the Supplier with all information and documents necessary for the performance of the contractual service and make the decisions necessary for the performance of the contract quickly.
- 3.2. If services need to be carried out on our premises on a project-specific basis then we shall provide the necessary working areas, computer time and programs free of charge.
- 3.3. The Supplier shall provide us with a detailed written request to comply with our duties of cooperation if we fail to meet them and as a result of this the Supplier believes that it is being prevented from completing its services in good time.

**4. Material defect liability/claims for defects**

- 4.1. The services and deliveries must meet the agreed requirements (specifications, performance description) and both property details and agreements, and must be free from defects of title. This applies in particular for property details in the performance description and for the functions stated in the brochures and product descriptions of the Supplier, producer or licensor.
- 4.2. In the event of defects in the delivery, including the lack of an agreed property, the Supplier is obliged at our discretion either to immediately remedy the defect free of charge (improvement) or to supply a defect-free item (subsequent delivery) without prejudice to other statutory regulations. If subsequent performance is not possible or fails then we may reduce the agreed purchase price or withdraw from the contract. This does not affect our right to compensation.
- 4.3. Defect claims shall become time-barred at the end of 24 months from acceptance of the service or delivery.
- 4.4. Programming errors present in software projects which cannot be remedied in a reasonably short period in consideration of the effects of the error must be temporarily removed using a workaround which is reasonable for us; this does not affect the obligation for final remedying of the defect.
- 4.5. We will support the supplier during the remedying of the defect by providing the documents and information necessary in order to analyse the defect.
- 4.6. The Supplier will be informed immediately of defects in supplied hardware.

**5. Data back-up**

- 5.1. Electronically produced services must be continually backed up by the Supplier during project progress according to partial results with the involvement of the programming environment necessary for this purpose. The back-up copies must be removed and professionally stored.

**6. Documents and programs**

- 6.1. Any documents which we provide to the Supplier shall remain our property. Copies may only be made for the purpose of implementing the contract. Originals and copies must be stored carefully and returned to us following the performance of the contract.
- 6.2. The Supplier may only use the programs supplied by us to the extent necessary for the performance of the contract.

**7. Source code**

- 7.1. Programs individually developed for us must be provided to us in the source code with documentation.
- 7.2. Measures carried out on the programs as part of material defect liability must immediately be included in the source code and the documentation by the Supplier; a copy of the relevant updated status must be provided to us immediately.