

Terms and Conditions of Purchasing

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Our Terms and Conditions of Purchasing shall have sole validity; we shall not recognize any conditions of the Vendor that are contradictory to or deviate from our Terms and Conditions of Purchasing, unless we have expressly agreed in writing to apply these conditions. Our Terms and Conditions of Purchasing shall apply even if we accept the Vendor's delivery without reservation while being aware of conditions of the Vendor that contradict or deviate from our Terms and Conditions of Purchasing. This shall also apply to all future transactions with the Vendor.

1. Purchase Order

Purchase orders shall be valid only if they have been issued in writing. Any oral agreements have to be confirmed subsequently by us in writing. Purchase orders must be confirmed or rejected without delay, but no later than within 6 working days, in accordance with § 362 (1) of the German Commercial Code (HGB), insofar as our quotations do not expressly include a period of commitment.

2. Delivery Date

The agreed delivery date shall be binding for receipt of the goods. If a calendar week is agreed as the delivery date, the last working day of the calendar week confirmed for the delivery shall be deemed the latest date for receipt of the goods. If the delivery occurs later, then the Vendor shall be in default even in the absence of a separate reminder.

The Vendor shall be obligated to notify us in writing immediately if circumstances arise or are identified which indicate that the agreed delivery date cannot be met.

We shall be entitled to refuse acceptance of goods delivered before the delivery date specified in the purchase order and to send back the goods delivered early at the Vendor's expense and risk or to store them at third-party facilities. Furthermore, the Vendor shall not be entitled to make partial deliveries.

3. Delay

For each working day the delivery is delayed, a contractual penalty in the amount of 0.5% of the order total shall be due. The order total shall be calculated from the specified order quantity and the respective item price of the delivery. The amount of the contractual penalty is limited to 5% of the order volume. Additional costs for shipments that must be expedited for delivery due to circumstances that are the Vendor's fault shall be charged to the Vendor's account.

The right to assert additional statutory claims for damages remains unaffected by shipping costs and contractual penalty. Noncompliance with the agreed delivery periods shall entitle us, after an unsuccessful reminder and expiration of a suitable grace period, to refuse acceptance of the delivery and to withdraw from the contract or to demand payment of damages due to nonfulfillment. Acceptance of the delayed delivery or service shall not include any waiver of claims for damages.

4. Shipping and Receiving

Shipments for which we must pay the freight costs in whole or in part shall be forwarded by the Vendor at the least expensive freight rates and/or in accordance with our Shipping Regulations. To prevent transport damage due to

the load being secured improperly or not at all, the Vendor shall have the cargo secured by the freight forwarder who picks it up.

The Vendor shall be liable for all damages and expenses resulting from following our instructions improperly or not at all.

Even if shipment has been agreed, the risk shall not pass to us until the goods are handed over to us at the agreed destination. Claims for transport damages shall be handled by the Vendor.

5. Packaging

All shipments shall be packaged such that they exclude damage from transport and during handling of the parts. At our request, the Vendor must take back the packaging at its expense.

6. Delivery Notes and Invoice

Each shipment must include a delivery note that specifies all important elements of the purchase order. The invoice must include the same information. If information is missing and this results in a delay in our processing as part of our normal business operations, the payment periods shall be extended by the period of the delay.

7. Defects

Unless otherwise agreed in writing, when receiving goods, we inspect the goods for quantity, identity and transport damage only. We undertake to notify the Vendor immediately of all defects discovered during this process. Otherwise, the Vendor shall waive its right to objection of late complaint.

We shall be entitled to unrestricted and unlimited statutory claims concerning defects; regardless thereof, we shall always be entitled to demand, at our discretion, that the Vendor remedy the defect or provide a replacement delivery. In this case, the Vendor is required to bear all expenses necessary to remedy defects or deliver replacements. The right to damage compensation, particularly to damage compensation instead of delivery, is explicitly reserved.

If the Vendor does not fulfill its obligation to make an immediate replacement delivery, or if the necessary corrective changes are not performed without delay in such a way that the delivery complies with our quality requirements, we shall additionally have the right to perform the necessary corrective changes ourselves or contract a third party to perform this task. The Vendor shall bear all associated costs. The right to damage compensation claims due to nonfulfillment is reserved.

If defects in the delivered goods only become apparent upon processing, we shall reserve the right to assert damage compensation claims, including claims for further damages.

8. Warranty

The warranty period shall be 24 months from the time of full delivery. The receipt of written notification of defect from us by the Vendor will suspend the period of limitation for any claims under warranty. The delivery of replacements and remediation of defects restarts the warranty obligation for replaced or reworked parts unless we had to assume from the Vendor's actions that the Vendor did not regard itself as obliged to perform this action, but instead only provided the replacement or remedied the defect for reasons of goodwill. If the Vendor is in default with respect to fulfillment of the warranty requirements, we shall be entitled, at the Vendor's expense, to remedy the defects ourselves, have them remedied or procure a replacement.

9. Quality Assurance/Product Liability

The Vendor undertakes to carry out continuous monitoring of its processes using statistical methods

- for continuous improvement of its processes and thus its products and
- for cooperation as partners in all quality-related matters.

The Vendor shall enable our agents to carry out a product-related process audit before the start of series production to assess the Vendor's quality assurance measures. In this regard, we are entitled to agree on special testing and inspections that we set forth in written testing and inspection instructions and for which the compliance by the Vendor shall be documented. We are authorized to inspect these documents at any time. Random sample inspections shall always have a threshold of zero, i.e. no faulty parts may be found. If, despite this, faulty parts are found, our QA department must be notified immediately. Under no circumstances may the goods be delivered without prior written approval.

Complaints regarding the deliveries shall be submitted in writing. The Vendor shall respond to the complaint in writing within 48 hours. The Vendor shall specify measures of improvement with dates for their implementation.

If the Vendor is responsible for any product damage, it shall be obliged to, upon first request, indemnify us from any claims for damages from third parties insofar as such claims originate from the domain and organizational area of the Vendor and the Vendor itself is liable toward outside parties. In this case, the Vendor shall also be required to reimburse any expenses arising from or in conjunction with a recall campaign carried out by us.

10. Property Rights

The Vendor warrants that no third-party rights are infringed upon in conjunction with its delivery insofar as the Vendor does not prove that it is responsible for the infringement of duties.

If we are subject to a third-party claim with regard to such an infringement, the Vendor shall be obligated to indemnify us from these claims upon first written request.

The Vendor's obligation to indemnify shall also pertain to all expenses necessarily incurred by us arising from or in conjunction with the third-party claim.

11. Tools

Tools, patterns, gauges, drawings and other documents we make available or have fabricated by the Vendor to manufacture our items shall be our property. This shall also apply to materials, parts, containers and special packaging provided by us. It shall be deemed agreed that we are part owners, in proportion of the value of the provisions to the overall product, of the products manufactured using our materials and parts, which the Vendor keeps on our behalf to this extent.

The Vendor shall handle and store the reserved goods with care and insure them against damage due to fire, water, theft, loss and other damage sufficiently at its own expense. Proof of insurance is required.

Third parties may be provided with these documents only with our express written permission, and these documents shall be returned to us without prompting after the order is transacted.

12. Confidentiality

The Parties to the Agreement undertake to disclose all commercial and technical details that are not public knowledge and that become known through the business relationship as a business secret. Sub-vendors shall be subject to this obligation accordingly.

15. Third-party Services

Insofar as the Vendor does not render the service (including tools) itself, but engages third parties to do so, this shall require our prior written consent.

14. Force Majeure

Unusual events such as war, work stoppages (strikes and lockouts), disruptions of operations, operational restrictions and other similar circumstances that result in a decrease of consumption, shall entitle us to withdraw from the contract in whole or in part. The Vendor shall be notified immediately of any such events.

15. Prices and Price Changes

The price shall include delivery and packaging insofar as other arrangements have not been made in writing. This does not include value-added taxes. Subsequent price changes of any kind, even if they result from a change to the execution of the order that we have requested, shall require our written permission. If no agreement is reached, we shall be entitled to withdraw from the contract.

16. Payment

We pay, with reservation of proper delivery, either in 30 days with a 3% discount or after 60 days net, calculated starting on the date the invoice is received.

17. Jurisdiction

German law shall apply, with exclusion of the Convention on Contracts for the International Sale of Goods, particularly the provisions of the German Civil Code (BGB) and the German Commercial Code (HGB).

The jurisdiction and place of fulfillment for both parties shall be Freiburg, Germany.