



General Conditions of Purchase

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Effective Date: 01.04.2015

General Conditions of Purchase

1. Area of Application / Requirement of writing / Offer / Communication

- 1.1 We order exclusively on the basis of our "General Conditions of Purchase". Other conditions are included as part of the contract, if agreed in writing (§ 126 German Civil Code). Additionally our "General Conditions of Purchase" apply if we accept your delivery without reservation, even though your conditions differ from our conditions.
- 1.2 Our „General Conditions of Purchase“ also apply for future transactions with you.
- 1.3 All agreements, made between us, regarding the execution of the contract are set down in writing, in the order or the contract. Verbal collateral agreements do not exist.
- 1.4 Orders, delivery requests or their changes and amendments can be implemented if desired by us, also by remote data transmission, e.g. coded electronic mails (e-mails) or fax.
- 1.5 We shall work to a response time of 7 days to our requested order, unless it is configured differently thereof.
- 1.6 Communication and correspondence for contract handling is only to be carried out with the purchasing department. Any arrangement between you and our employees, who are not active in our purchasing department, will only be applicable if we confirm this in writing.
- 1.7 Compensation for visits or the preparation of offers, projects, etc. will not be applicable , unless it is deviant previously agreed between us in writing.
- 1.8 We reserve the right of ownership and copyright on illustrations, drawings, calculations and other documents; they may not be disclosed to third parties without our prior written consent. They shall be used exclusively for the production, based on our order. After completion of the order they are to be automatically returned to us . They are confidential against any third parties. Thereto the rules under number 2 additionally apply.

2. Confidentiality

- 2.1 The status of the contract remains confidential and you are not allowed to publicize our business relations, for example in promotional materials or other publications, unless you receive our written approval.
- 2.2 You are obliged not to disclose any confidential information (all the business, technical and financial information about us or an affiliate company) which you have received from us, or have been obtained by us from any third parties. The obligation of confidentiality does not apply if: a) the information is generally known, b) they are known by you before or c) the information has been available by a third party and this is not contrary by passing on a binding confidentiality agreement.
- 2.3 Confidential information within the meaning of no. 2.2 may only be used for the contractually agreed purposes for you.
- 2.4 If you realize that the confidential information came into the possession of an unauthorized third party or confidential information (for example, a document) has been lost, you have to inform us without delay.
- 2.5 The confidentiality obligation shall continue after any termination of the contract.

3. Prices / Delivery / Shipping / Packaging

- 3.1 The price specified in the order or in the contract price is - unless otherwise stated – exclude VAT or any Sales Tax.
- 3.2 Deliveries will be made - unless otherwise agreed - DDP delivery point per INCOTERMS 2010. The place of delivery is specified in our purchase order.

- 3.3 Each delivery must include a delivery note in which the supply is exactly specified in type, quantity, our requested Item Number and optionally the weight. Delivery notes, bills of lading and all correspondence must contain our order number and - if possible - our project title.
- 3.4 We only accept the ordered quantities. Higher or lower deliveries as well as partial deliveries are only permitted after prior written agreement from us.
- 3.5 Your deliveries are to be packed in the best possible way, that our ordered goods are not damaged by external influences, by transportation and weather. Package materials are to be used only to the extent necessary for achieving that purpose. There should be used only environmentally friendly packaging materials. You are obliged to take back any packaging.
- 3.6 For materials (substances, preparations) and objects (eg. goods, parts, technical equipment, uncleaned empties) which may pose for reason of their nature, characteristics or condition a danger to life and health of people or for the environment and therefore must undergo special treatment in terms of packaging, transportation, storage, handling and waste due to regulations, you have to supply with your offer or latest with the contract a completed safety data sheet according to § 5 Ordinance on Hazardous Substances and a relevant accident data sheet (transport).

In the event of changes in the materials and / or legal points, you will provide us with updated data and information.

4. Invoicing / Payment / Reservation of Ownership

- 4.1 Invoices shall be separately submitted to us with all the relevant documents and information after delivery in the correct form. Invoices can only be paid if they include the order number, in accordance with the specification in our order. You are responsible for all consequences of non-compliance with this obligation, insofar, that you cannot prove that this is not your fault.
- 4.2 We pay the purchase price, unless otherwise agreed in writing, within 14 days with 2% discount or within 30 days net, after the complete delivery and receipt of the invoice.
- 4.3 The ownership of the delivered goods shall pass latest with payment to us. Any extended or expanded retention of title is excluded.
- 4.4 We are entitled to make an appropriate security retention for the duration of the relevant warranty periods in the event of any insolvency issue.
- 4.5 All payments are carried out via the methods of our choice.

The compensation is subject to the proper performance of the contract and if the price is calculated correctly. In case of faulty delivery we are entitled to withhold payment to an appropriate extent until proper performance.

If we find out after the final payment but within the statutory limitation periods, errors in billing or in the documentation of the settlement, you are obliged, after notification to refund the overpayment. You are not entitled to any possible loss of enrichment.

5. Deadlines / Delay / Force Majeure / Early Delivery

- 5.1 The delivery date – specified in the order – is binding. Decisive for observing the delivery date is the full receipt of the goods at the specified delivery point or point of use and handing over the whole documents, in accordance with the required laws, regulations and contractually agreed items, such as approvals, test certificates, certificates of conformity, operating and maintenance manuals, spare parts lists, user manuals.
- 5.2 If you realize, that the delivery date cannot be met you are obliged to immediately inform us in writing, with the reasons and the expected duration of the delay. In this case you will take all necessary measures to ensure that the agreed delivery date can be adhered to, or if there will be only a slight delay, you are required to inform us, what actions you have carried out in the individual case or which actions you propose to implement. Our rights are not affected by the notification pursuant to sentence 1.
- 5.3 By informing us of an expected delay there will be no change in the agreed delivery date.

- 5.4 In the event of the delay in delivery we have the right to statutory claims. In particular, we are entitled to demand after expiry of a reasonable period, compensation instead of performance and withdrawal. If we request compensation you have the right to confirm to us that you are not responsible for the breach of duty.
- 5.5 You can only refer on the absence of necessary files, data, materials etc. supplied by us, if you have requested from us in writing, and you have not received after a reasonable time.
- 5.6 Force majeure excludes you for the duration and to the extent of the effect from your performance obligations. However in good faith, you are liable to inform us without delay with the necessary information and to adapt your obligations to any changed circumstances. If your delivery does not become permanently impossible due to force majeure, we can set a reasonable deadline for delivery and - if this is unsuccessful - withdraw from the contract.
- 5.7 For an earlier delivery not agreed in writing, we reserve the right not to accept the goods and to return the goods at your expense. If a premature delivery is not returned, the goods are stored in our stock until the delivery date at your expense and your risk.
- 5.8 In case of an early delivery we reserve the right to make the payment against the original agreed due date. If the due date of payment is tied to the delivery date, we are entitled in the event of early deliveries, to execute the payment at the time, where the obligation become due with punctual delivery.

6. Guarantees / Warranties

- 6.1 You guarantee that your supplies are state of the art and that they comply with the relevant legal provisions and the regulations and guidelines of authorities, professional associations and trade associations. Furthermore you guarantee that your deliveries are free of third party rights and that you are fully entitled to dispose.
You also guarantee the use of intended materials, proper design, construction and features, reliable operation, achieving the agreed performance under the stipulated terms.

If, in individual cases, deviations are necessary from these requirements, you must obtain our written consent. Your guarantee will not be restricted by this approval. If you have doubts about the kind of execution required by us, you have to immediately inform us in writing.
- 6.2 You confirm the suitability of your goods for use in rail vehicles and electric powered buses as a special performance requirement.
- 6.3 You are obliged to use environmentally friendly products for your deliveries in connection with any economic and technical requirements. Also for component suppliers from third parties.

7. Warranty / Notification of Defects / Limitation Period

- 7.1 We are obliged to check the goods within a reasonable period for any quality and quantity deviations; an appropriate Notice will be released within a period of 5 working days from the completion of the inspection of incoming goods or from discovery of the defect.
- 7.2 The statutory warranty claims are due to us without any deduction; in any case we are entitled to demand from you at our option the remedy of defects or the delivery of new goods. The right to compensation, in particular compensation instead of delivery, is expressly reserved.
- 7.3 If you are in default with the subsequent fulfillment we are entitled to carry out the repair of defects on our own but at your expense. The same applies independently from default conditions, where any operational safety is endangered.
- 7.4 The limitation period is 36 months from transfer of risk, unless there are any statutory provisions provided for a longer period of limitation.
- 7.5 From the day of receipt of the notification of defects the limitation period is suspended until the defect is eliminated or your refusal to remedy.
- 7.6 For repaired or replaced parts the warranty period starts anew from the date of return of the repaired parts or the delivery of the replacement.

- 7.7 By official approval of documents or through our delivery or approval of drawings, calculations and other technical documentation, your responsibilities not removed. The same applies to our arrangements, proposals and recommendations, if you have not raised your objections in writing.
- 7.8 If the immediate rectification of defects due to the operation conditions is not possible, you have to provide immediate temporary improvement, if this does not occur unreasonable additional costs. The final rectification of defects must be carried out as soon as there are sufficient competent operating conditions.

8. Further Liability / Product Liability / Exemption

- 8.1 In the cases under point 6 and 7 you will be liable in all cases the statutory Law. The statutory volume limits of liability limitations will not apply.
- 8.2 Unless you are responsible for product damage, you are obliged to hold us harmless on first request of third party claims, as the cause is within your control and organization and you are liable in the external relationship.
- 8.3 As part of your own liability for damages within the meaning of clause. 8.1, you are also obliged to reimburse any expenses pursuant to §§ 683, 670 German Civil Code or § 830, 840, 426 German Civil Code, arising out or in connection with a legitimately recall action carried out on our direction. We will inform you about such a recall action – as far as possible and reasonable – sufficiently in advance, to give you the opportunity to comment.
- 8.4 You are obliged to maintain a product liability insurance with lump sum coverage of EUR 10 Million per personal injury / property damage. If we have further claims for damages they shall remain unaffected. Upon request you are obliged to attest us the conclusion and the existence of these product liability insurance.

9. Use of Subcontractors / Liability for Foreign Fault

- 9.1 You are not allowed to give the order in whole or in substantial parts to third parties without our prior written consent. If we give such consent, you remain responsible for the fulfillment of the contract.
- 9.2 You are responsible for any fault of your sub-contractors in the same way, as if it was your own fault.
- 9.3 You are responsible for the fault of your agents in the same way, as if it was your own fault. You cannot relieve form your liability by demonstrating the proper selection and supervision of agents.
- 9.4 You are responsible for a fault of your upstream supplier in the same way, as if it was your own fault. You cannot relieve form your liability by demonstrating the proper selection and supervision of the upstream suppliers.

10. Quality Management

- 10.1 At our request you have to set up or to introduce a quality management system (for example DIN EN ISO 9000) and / or an environmental management system (for example quality management). We reserve the right to verify the validity of this quality management system at your works.

If the type and scope of the tests and the test equipment and method are not agreed upon with us, we are prepared at your request to use our knowledge, experience and opportunities to discuss the tests with you, to determine the respective required state of the test technology.

- 10.2 Independent of these settings you have to continuously check the quality of the delivery items.

11. Intellectual Property Rights

- 11.1 You have to ensure, that your delivery and in connection with your delivery no third party rights are infringed inside the Federal Republic of Germany.
If we confirm that your deliveries are delivered in another country than the Federal Republic von Germany, you have to ensure that through your deliveries violate no third party rights in these referred country.
- 11.2 If we are held by a third party for an infringement of an intellectual property right, you are obliged to on first demand to indemnify us against these claims.

11.3 When we have received claims for compensation from third parties your evidence remains reserved, that you have not violated the rights of any third party. If we sign a document without your consent, this is only effective to the extent when it is beneficial for you.

11.4 Your indemnity bond relates to all expenses that arises from or in connection with a claim by a third party insofar as you do not prove that you are not responsible for the alleged infringement of the underlying breach of duty.

11.5 The limitation period for these claims shall be three years, commencing with the transfer of risk.

12. Contract Changes / Termination of the Contract

12.1 We can stipulate changes to the contractual item after contract conclusion, as far as it is appropriate for you. In this contract change, the effects of both sides should be duly considered, particularly with regard to additional or reduced cost and delivery program.

12.2 We are entitled to terminate the contract, in whole or in part, at any time. In this case you have the right to full remuneration. But, if you saved cost as a result of the cancellation this has to be credited. This also applies if you neglect to make other distributions maliciously. Entitlement to pro rata revenue is limited at max. 5 % of the remaining contract value.

12.3 If we cancel for an important reason you are entitled to full remuneration for services / goods which have already been provided. Any further claim for compensation, caused by unpreventable costs through the order, is only due in the case of extraordinary termination by us, if the important reason for termination is not caused by you.

Further claims do not exist. An important reason is, if we have no longer interest in the fulfillment of the contract because there are compelling legal, economic, operational reasons or reasons lying in your personal and / or a significant deterioration in the financial circumstances applies to you.

13. Assignment

13.1 Claims may only be assigned with our prior written consent.

14. Place of Performance / Language / Jurisdiction / Applicable Law

14.1 Unless otherwise agreed, the place of performance for the delivery obligation is our desired shipping address or place of us. Place of payment is any place where we have an account at a financial institution.

14.2 The contract language is German. If the contracting partners use another language, the German wording shall prevail. All correspondence and other documents and records have to drawn up in German.

14.3 If you are a merchant, a legal entity under public law or a public special assets, our place of business is place of jurisdiction; but we are entitled to sue also at your registered office.

14.4 German law applies, excluding the CISG and the referral rules of German private international law.