

General Terms and Conditions of Purchase (as of 12/2016)

1 Area of applicability

Except as otherwise provided in individual agreements, we place orders on behalf of the following group companies of voestalpine AG, Linz exclusively on the basis of the following General Terms and Conditions of Purchase: voestalpine Automotive Components Dettingen GmbH, voestalpine Automotive Components Dettingen GmbH Betriebsstätte phs-ultraform® center Schmölln, voestalpine Automotive Components Schmölln GmbH, voestalpine Automotive Components East London (Pty) Ltd., voestalpine Automotive Components Aguascalientes, S. de R.L. de C.V., voestalpine Automotive Components Fontaine S.A., voestalpine Automotive Components Böhmenkirch GmbH & Co. KG., voestalpine Automotive Components Nagold GmbH & Co.KG, voestalpine Automotive Components Birkenfeld GmbH and voestalpine Automotive Components Arad S.R.L.. Any conflicting or deviating general terms and conditions of business of the Supplier shall not become part of the contract, even if we accept the delivery without reservations. All agreements made between us and the Supplier for the purpose of implementing this contract are laid down in writing in this contract. There are no oral side agreements to this contract. Our GTC shall also apply to all future transactions with the Supplier.

The Compliance Guidelines of voestalpine AG (callable: <http://www.voestalpine.com/group/de/konzern/compliance/>) and our Supplier Manual (callable: <http://www.voestalpine.com/automotivecomponents/Standorte/Europa/voestalpine-Automotive-Components-Dettingen/Downloadcenter-Dettingen>) constitute binding parts of our GTC. The German wording shall be decisive for the interpretation of this contract.

2 Confidentiality obligation

We reserve the title and copyright to all illustrations, drawings, invoices and any other documents provided to the Supplier. These documents must not be made available to third parties without obtaining our express written consent. The documents shall be used exclusively for the purpose of manufacturing the goods as ordered and shall be returned to us without separate request once the order is executed. This shall apply accordingly if the Supplier does not accept our offer. The documents shall be kept confidential vis-à-vis third parties, unless the production know-how contained in the documents is generally known.

3. Acquisition of Means of Production (Means of Production, Gauges, Devices, Machines and Systems)

The following provisions apply only for the purchase of the means of production (tools, gauges, devices, machines and systems) and other capital goods (hereinafter uniformly referred to as "Means of Production"):

3.1 Upon the full payment of the purchase price, title to the Means of Production shall be deemed to pass to us. Any extended or expanded retention of title [verlängerter oder erweiterter Eigentumsvorbehalt] to Means of Production by Supplier is excluded. To the extent we have agreed with Supplier to make advance payments, Supplier shall transfer title to the relevant Means of Production or Partial Means of Production (i.e. the successively produced parts of these Means of Production) to us upon the making of the first payment under the condition precedent of the full payment of the relevant Means of Production or Partial Means of Production (Means of Production and Partial Means of Production are hereinafter jointly referred to as "Means of Production"). We shall acquire title to the relevant Means of Production with each level of processing. Physical delivery shall be replaced in such manner that Supplier loans or holds the Means of Production in safekeeping for the purpose of manufacturing. Where it is not possible for any reason (with the exception of the failure to pay the price for the relevant Means of Production in full or in part) to transfer title to the Means of Production to us, Supplier is obliged to take all necessary and possible steps to put us in the same position we would be in if we had acquired title to Means of Production; this includes, but is not limited to, the opportunity for us to use and exploit Means of Production. Should we lose title to Means of Production against or without our will (e.g. through combination with another item), Supplier hereby already declares his consent to the retransfer of title to the Means of Production to us. In all other respects, Supplier shall use his best efforts to ensure that we recover our title to the Means of Production.

3.2 To the extent the agreed price for the relevant Means of Production exceeds the amount of EUR 100,000.00 and provided that we have agreed with Supplier to make advance payments, Supplier shall provide security in the form of an absolute bank guarantee from a major European bank acceptable to us for such advance payments in the amount of the relevant advance payment. We are not obliged to make any advance payments before such bank guarantee is provided. The cost for providing the bank guarantee shall be borne by Supplier. Following the successful part approval process (Note 1) of the serial parts manufactured with the relevant Means of Production (not included under this point are machines and systems), we will return the bank guarantee to Supplier. Deviating individual agreements may be made for machines and systems.

3.3 Supplier shall take any measures possible to avert interventions by third parties into our title to the Means of Production (e.g. enforcement measures, removal of Means of Production or other impairments of our title). In the event of an intervention in our title to Means of Production by third parties, Supplier shall inform us thereof without undue delay by E-mail. In particular, Supplier is not allowed under any circumstances whatsoever to transfer or deliver our Means of Production to third parties, enter into a lease agreement concerning them or to grant any rights to them. Supplier shall compensate us for all damages and costs that arise through the culpable breach of these obligations and by the interventions at third parties they necessitate.

3.4 We may at any time demand the surrender of the relevant Means of Production, any and all accessories and all of the related documents (including design drawings).

3.5 Apart from failure to make payment of the compensation, in full or in part, Supplier is not entitled to any rights of retention of any kind within the meaning of Sections 273, 320 German Civil Code to the Means of Production. Supplier's right to possession of the Means of Production within the meaning of Section 986 German Civil Code exists exclusively on the basis of a loan or holding in safekeeping for manufacturing.

3.6 Supplier shall inform us immediately after the award of contract of the exact location of manufacturing (production hall with an equivalent drawing of the site) for the Means of Production. A relocation of the Means of Production or parts thereof to another site shall require our prior and express written consent. Supplier shall additionally provide us in regular intervals (at least every 4 weeks) with informative photographs of the Means of Production at the relevant manufacturing status, particularly of all relevant tool components and picture viewings.

4 Prices – Terms of delivery – Terms of payment – Processing fee for faulty invoices

The prices stated in the invoice shall be binding. In the absence of any written agreement to the contrary, the prices include delivery DDU (Incoterms 2010) and packaging. The use of reusable packaging requires a separate agreement. The quantity and designation of all reusable packaging materials delivered shall be shown in the delivery note as a separate item. Invoices and delivery notes must contain the information as specified in the Supplier Manual. Except as otherwise agreed upon in writing, we settle all invoices received between the 1st and 15th day of a month at the end of the month and all invoices received between the 16th and 30th/31st day of a month by the 15th day of the following month with 3% discount or within 60 days net of receipt of the invoice. We shall have the right to set off and withhold payments to the extent stipulated by law.

5 Delivery period

The delivery periods stated in the order shall be binding. The Supplier undertakes to immediately notify us in writing if any circumstances occur or become apparent to him indicating that the delivery period stated in the order or in call-off orders cannot be observed.

6 Default in delivery – Compensation for delayed delivery

In the event that the Supplier is in default of delivery, we shall be entitled, in addition to our entitlement to the delivery, to claim the reimbursement of the damage or loss caused by the default, unless the Supplier is able to prove that he is not responsible for the delay. We shall be entitled to further rights to claim compensation in lieu of performance for the default after fruitless expiration of an adequate grace period, unless such grace period is dispensable for reasons stipulated in statutory law. In place of the compensation in lieu of performance, we shall be entitled to claim the reimbursement of expenditure made in relying on the timely receipt of the goods, unless their purpose would not have been achieved even if the goods had been delivered on schedule.

7 Liability for breach of duties

The Supplier undertakes to deliver the goods free of material defects and defects of title. Insofar as a quality assurance agreement has been concluded between us and the Supplier, this shall be decisive for our duties to examine the goods for defects and notify the Supplier of them. If such agreement does not exist, we shall remain obliged to examine the goods for defects and notify the defects to the Supplier. We shall be entitled to demand from the Supplier, at our choice, either subsequent performance by way of rectification or substitute delivery. The costs of the subsequent performance shall be borne by the Supplier. These also include our additional expenditure for the processing of justified material defects or defects of title. This processing fee is fixed at € 150 per delivery. The Supplier shall be entitled to prove that the actual expenditure has not been incurred at all or is significantly lower than the flat-rate amount. Insofar as we are entitled to further claims for compensation, these shall remain untouched. We shall be entitled to reduce the purchase price or rescind the contract immediately in the event of irreparable defects, however, not before the fruitless expiration of an adequate grace period in the event of repairable defects, unless such grace period is dispensable for reasons stipulated in statutory law. In addition to our entitlement to rescind the contract or reduce the purchase price, we shall be entitled to claim compensation in lieu of (full) performance in accordance with the statutory provisions. In place of the compensation in lieu of performance, we shall be entitled to claim the reimbursement of expenditure made in relying on the receipt of flawless goods. If a third party enforces rights in respect of the goods delivered and asserts claims against us, the Supplier undertakes to indemnify us against these claims upon first written request. This indemnity obligation shall cover all expenditure incurred by us through or in connection with the claims asserted by a third party. The Supplier shall be liable in accordance with the statutory provisions for any damage or loss caused by the defective goods to any property other than the goods themselves as well as to our other assets.

8 Infringement of other rules of conduct

The Supplier shall be liable in accordance with the statutory provisions for any damage or loss arising from the infringement of other rules of conduct on his part. If the defect occurs after receipt of the goods on account of incorrect public statements, in particular in advertisements or in descriptions of particular characteristics, on part of the Supplier and our purchaser asserts claims against us as a consequence of the defect attributable to this fact, the Supplier shall be liable to pay compensation to us and undertakes to indemnify us against all claims upon first request. This shall not apply if the Supplier is able to prove that he is not responsible for the incorrect statements or descriptions and we were aware of the incorrectness prior to reselling the goods to the purchaser.

9 Period of limitation for warranty claims

The period of limitation for warranty claims based on material defects shall be 60 months starting from the receipt of the goods. Rights of recourse in the supply chain pursuant to Sections 478, 479 BGB [German Civil Code] shall remain untouched. Claims based on defects of title shall be subject to the statutory limitation period.

10 Product liability – Indemnity – Liability insurance cover

Insofar as the Supplier is responsible for a product defect, he shall be obliged to indemnify us upon first request against any claims for compensation asserted by third parties to the extent to which the cause of the defect lies within his sphere of control and responsibility and he is personally liable in relation to third parties. Within these limits, the Supplier shall also be obliged to reimburse any expenditure pursuant to Sections 683, 670 BGB arising from or in connection with a product recall campaign conducted by us, unless the claim derives from Sections 830, 840, 426 BGB. Insofar as possible and reasonable, we will inform the Supplier of the recall measures to be taken and provide him the opportunity to state his view. The Supplier undertakes to take out a product liability insurance policy with a lump-sum cover of at least € 5 million per personal injury/material damage, unless a higher amount is owed according to a possibly existing quality assurance agreement.

11 International sales contracts

If the Supplier's registered office is outside Germany, German law shall apply, excluding the CISG. In this case, the following special regulations in respect of the written form requirement and the Supplier's liability for breach of contract shall apply – contrary to the foregoing terms and conditions of purchase: Any modifications or annulments of the contract must be made in writing. This also applies to any agreements concerning the waiver of this requirement for the written form. In the event of culpable breach of contract, the Supplier shall also be liable for any damage that was not foreseeable at the time the contract was concluded. In the event that nonconforming goods are delivered, we shall be entitled to demand substitute delivery from the Supplier, provided that the nonconformity constitutes a fundamental breach of contract. A breach of contract is considered to be fundamental if the goods are exclusively manufactured or distributed by the Supplier or purchasing the goods from third parties is unreasonable for us for any other reason. In the event that nonconforming goods are delivered, we shall be entitled to declare the annulment of the contract if the nonconformity constitutes a fundamental breach of contract. A breach of contract is considered to be fundamental if the damage is difficult to estimate or cannot be estimated at all, non-material damage has occurred, the entitlement to compensation is excluded pursuant to Section 79 Clause 5 CISG, the trust in the Supplier's reliability suffers sustained damage in the event of continuing obligations or the nonconformity of the goods reaches such an extent that they can no longer be sold in the normal course of business.

12 Place of jurisdiction – Place of performance

If the Supplier is a businessman, the place of jurisdiction shall be our registered office; however, we shall be entitled to take legal action against the Supplier at his place of residence. The place of performance shall be our registered office.