



PORSCHE

Dr. Ing. h.c. F. Porsche Aktiengesellschaft Terms and Conditions of Purchase for special equipment Status 11/2015

1. Scope of application

Tools, tool elements, moulds, gauges, templates, models, stencils and other production equipment which is necessary for the manufacture of specific components produced by Dr. Ing. h. c. F. Porsche Aktiengesellschaft (hereinafter the "Purchaser") are classed as special equipment (equipment) as defined by the present conditions. The placement of orders, manufacture, use, maintenance and care as well as the new acquisition of such equipment, the rights to this equipment and the right of disposal thereof shall be undertaken exclusively in accordance with the following rules between the Supplier and the Purchaser and additionally in accordance with the Purchaser's Terms and Conditions of Purchase. The Supplier's General Terms and Conditions shall not apply, even if they have not been expressly rejected in specific cases.

2. Ownership and possession of the equipment

2.1 The Supplier herewith transfers ownership of the equipment to the Purchaser, who herewith accepts this assignment, subject to the condition precedent that full payment of the agreed remuneration has been made. The parties agree that sole ownership of the equipment shall lie with the Purchaser. The Supplier shall store the equipment for the Purchaser free of charge and use it exclusively in accordance with these conditions.

2.2 If, in accordance with Clause 7.1, the equipment should be located with a subcontractor, the Supplier herewith cedes his claim for the return of the equipment from the subcontractor to the Purchaser who herewith accepts the cession. The Supplier must ensure that he is able to demand the return of the equipment from the subcontractor at any time.

2.3 If the Supplier is not the manufacturer of the equipment, the Supplier herewith cedes all expectant rights to the equipment to which he is entitled to the Purchaser, who herewith accepts this cession, subject to the condition precedent that full payment of the agreed remuneration has been made. The Supplier shall store the equipment for the Purchaser free of charge and use it exclusively in accordance with these conditions.

2.4 At the request of the Purchaser, the Supplier shall inform the Purchaser in writing without delay whether the equipment was supplied by the manufacturer with reservation of title and what payments the Supplier has previously made to the manufacturer. The Supplier must provide the Purchaser with a copy of all the appropriate documents free of charge.

2.5 In any contract with the manufacturer, the Supplier must agree a right of subrogation in favour of the Purchaser. Irrespective of this, the parties agree that the Purchaser shall be entitled to make direct payment to the manufacturer with the effect of discharging his obligations to the Supplier.

2.6 The Supplier's right to possession and usage of the equipment shall end automatically with the end of the supply contract for the parts concerned and no later than the last delivery of the parts concerned. Regardless of this, the Purchaser shall be entitled to exercise his right of ownership at any time when the statutory conditions are met, and to demand return of the equipment from the Supplier, in particular if the Purchaser terminates the supply contract with good cause. If the Purchaser should make use of this right, the Supplier shall be obliged to return the equipment to the Purchaser in perfect condition. The Supplier shall only have a right of retention on account of undisputed or legally binding claims arising from the loan arrangement.

2.7 In the case of justified production for the independent aftermarket, the Supplier is obliged to produce an appropriate safeguarding concept without delay. The Supplier shall have no right of retention beyond a reasonable period in this regard.

3. Marking requirements

The Supplier shall undertake to mark the equipment in accordance with VW standard 34002 (available at www.vwgroupsupply.com). In particular, the Supplier shall hereby undertake to mark the equipment in a permanent and adequately visible manner with the annotation "Property of Dr. Ing. h. c. F. Porsche Aktiengesellschaft", with the inventory number(s) specified by the Purchaser and the Porsche Part No./Assembly No. The Supplier shall produce digital photographs of the marked equipment for invoicing no later than in connection with the updated specification. The digital photographs must be produced in such a way that the equipment, all attachments and replaceable parts, and the equipment marking are visible. The costs associated with this shall be covered by the payment of the contract value agreed in the order.

4. Confirmation of possession

4.1 At the request of the Purchaser, the Supplier shall be obliged to complete a so-called confirmation of possession in full relating to the equipment provided to him by the Purchaser for each item in the order. If the equipment or parts of the equipment from one item are in different locations, a separate confirmation of possession must be completed in the WIN application (tool inventory) for each location.

4.2 In addition, if particularly requested by the Purchaser, for tax purposes, the Supplier shall be obliged in each individual case to provide the Purchaser, by return and free of charge, separate confirmations of possession and all other documents such as invoices, delivery note, etc., which are necessary for the purpose of reimbursement of sales tax already paid. If, in the individual case, the Supplier does not meet this obligation, the Purchaser reserves the right to claim against the Supplier for losses incurred.

4.3 The Supplier must send the signed original of the confirmation of possession, in the current version relating to the invoice, to the Purchaser's department responsible. This is a prerequisite for payment of the invoice.

5. Maintenance, care, insurance

5.1 The equipment must be handled carefully by the Supplier, maintained in a timely manner in accordance with the usual time intervals, and continuously kept ready for use to the latest state of the drawings for the duration of the loan.

5.2 As the hirer, the Supplier shall be responsible for the dimensional accuracy of the equipment, in particular of gauges. In doing so, the Supplier shall assess the deviations caused by wear accordingly and correct them if necessary. If the wear exceeds the normal level, the Supplier is obliged to inform the Purchaser without delay.

5.3 The Purchaser will assist the Supplier appropriately with the checking and correction task.

5.4 The Supplier is obliged to insure the equipment for its nominal value against fire, lightning, explosion, plane crash, elementary damage, theft and other damage.

5.5 The Supplier shall bear any storage costs which may be incurred.

5.6 The Purchaser shall be entitled to monitor compliance with these obligations and to request evidence of the insurance from the Supplier at any time during the period of the loan during the Supplier's normal business and working hours at the place where the equipment is used. Unless there are exigent circumstances or the purpose of the visit excludes it, the Purchaser shall notify the Supplier of the visit in advance.

5.7 The procurement of new equipment, which is necessary due to wear, damage and similar events, shall be carried out by the Supplier for ownership by the Purchaser as long as the original equipment was likewise the property of the Purchaser. The equipment shall become the property of the Purchaser at the time of the new procurement. The necessary investment costs will be authorised and paid separately by the Purchaser if an appropriate written arrangement has been or is made in the individual case. The provisions of these Terms and Conditions of Purchase for Special Equipment, in particular Clause 2, shall apply to the replacement equipment.

6. Right of disposal

6.1 The equipment must only be used for fulfilling the Purchaser's call-offs and for serial as well as spare parts.

6.2 If the Supplier no longer needs to use the equipment in order to fulfil the Purchaser's orders, the Supplier shall inform the Purchaser in writing of the expected lack of need at least four months in advance; he shall not be entitled to sell or scrap the equipment or to dispose of it in any other way unless an agreement to do so has been reached with the Purchaser.

6.3 The Purchaser shall have the right to demand the return of the equipment from the Supplier or to instruct the Supplier to scrap the equipment. The Supplier is obliged to provide the information required by the Purchaser as part of the scrapping approval. The cost of scrapping shall be borne by the Supplier. If the Supplier generates proceeds when scrapping the equipment, he shall undertake to inform the Purchaser of the level of the proceeds. If the generated proceeds exceed the cost of scrapping, the parties shall come to an agreement over the distribution of the proceeds. If the cost of scrapping exceeds the proceeds, the Supplier must provide evidence of the actual scrapping costs and shall be entitled to enter into negotiations with the Purchaser regarding sharing these costs.

6.4 Use of the equipment by the Supplier during the period of the loan and when there is no longer a need for the Purchaser to produce parts for third parties shall in all cases require the prior written agreement of the Purchaser. This shall not be inequitably withheld.

6.5 Pledging, transferring by way of security or any other act of disposal by the Supplier relating to the equipment is not permitted.

7. Relocation / Use of the equipment at subcontractor's premises / Dissemination to third parties

7.1 The Supplier may only relocate the equipment to a manufacturing facility other than the originally agreed manufacturing facility following prior written agreement by the Purchaser's Procurement Department. The same shall apply in the case of equipment which is located at the premises of the Supplier's subcontractors.

7.2 If the Supplier uses the equipment or parts of the equipment at one or more of his subcontractors, he must ensure by means of appropriate contractual provisions (loan contract) that the present provisions and rights of the Purchaser are also guaranteed in the relationship with the respective subcontractors.

7.3 If the Purchaser incurs a loss due to infringement of this obligation, the Supplier must compensate the Purchaser for this loss in full. In particular, the Supplier shall also compensate the Purchaser for the following costs as part of the compensation for damages: Costs for change management, documentation, qualification and provision of samples.

8. Liability

8.1 The Supplier shall be liable for damage incurred to the equipment unless he is not responsible for this damage. The Supplier shall be responsible for intent and negligence. In doing so, the Supplier shall be held accountable for the behaviour of his staff and of any further assistants/vicarious agents deployed by him. Claims by the Purchaser for damage to the equipment must be lodged within 12 months.

8.2 If damage is incurred to legally protected interests of third parties as a result of the equipment or its use and these third parties lodge claims against the Purchaser arising from infringement of these legally protected interests, the Supplier shall indemnify the Purchaser from these claims in this respect and reimburse the costs resulting from a corresponding claim by the Purchaser. This also includes costs for prosecuting the claim.

8.3 The Purchaser's liability is limited to wilful intent and gross negligence.

9. Provision of samples

In the course of providing samples of parts produced using the equipment, the Supplier is obliged to submit the currently applicable EU safety data sheet to the Purchaser and to comply with the requirements of VDA recommendation VDA 260 in the currently applicable version. The EU safety data sheet is available for downloading at www.vwgroupsupply.com.

10. Changes to equipment

If changes to the equipment are instructed by the Purchaser, these conditions shall apply accordingly. If the Supplier makes changes to the equipment without the Purchaser having previously instructed such changes, he shall compensate the Purchaser for resulting damages and in particular the following costs: Costs for change management, documentation, qualification and provision of samples.

11. Invoicing and payment

The terms of payment can be seen from the purchase order.

12. General provisions

12.1 The Purchaser's General Terms and Conditions of Purchase in the currently applicable version shall also apply accordingly.

12.2 In the case of legitimate ownership of the equipment by the Supplier, Clauses 2, 3, 6.5 and 7.1 shall not apply. Informal detailing shall be used in place of the confirmation of possession in Clauses 4.1 and 4.2. Clause 6.3 shall only apply to the extent that the Purchaser shall be entitled to purchase the equipment from the Supplier. In doing so, the selling price shall be based on the market value of the equipment at the time. In conjunction with relocation, the non-applicability of Clause 7.1 shall not absolve the Supplier from any approvals/audits of the new production facilities/processes which may be necessary in the individual case. The remaining clauses shall apply accordingly taking into account the fact that the equipment is the property of the Supplier.

12.3 These Terms and Conditions are produced in German and English. In the event of contradictions between the German and the English version the German version shall prevail.