



Conditions of Purchase Janesville Acoustics GmbH (Revision 01.09.2013)

SOUND DECISIONS • SOUND SOLUTIONS

§ 1 Conditions governing the transaction

(1) Orders placed by Janesville Acoustics GmbH, hereafter called Janesville, shall be exclusively on the basis of our Conditions of Purchase. The supplier's general terms and conditions of sale or other different agreements shall only apply if they are confirmed in writing by Janesville as an addition to Janesville's Conditions of Purchase.

(2) Our Conditions of Purchase shall also apply if we are aware of conditions of the supplier that conflict with or are different to our Conditions of Purchase yet accept a delivery without raising any objection. In the conditions set out here we expressly oppose any reference or counter-acknowledgement by the supplier asserting his terms and conditions of sale.

(3) Our Conditions of Purchase shall also apply to all future transactions with the supplier.

§ 2 Orders

- (1) Only orders placed in writing shall be valid. A signature by Janesville is not required here. The written form shall include EDI, e-mail and fax.
- (2) The acceptance of every order shall be acknowledged without delay by the supplier upon receipt but at the latest within 5 working days if Janesville has not received the acknowledgement within 5 working days of the date of the order, Janesville shall be entitled to cancel the order.
- (3) Within the limits of what is reasonable for the supplier, Janesville may request changes to the item to be supplied in respect of its design and execution. In this context, adequate provision must be made to take account of the implications, in particular in respect of additional and reduced costs and delivery dates.

§ 3 Prices

- (1) Unless it is agreed to the contrary, the prices indicated in Janesville's order and confirmed by the supplier shall be binding.
- (2) If no special agreement is made, the prices shall be deemed valid for the delivery in accordance with Incoterms 2010 DDP, including packaging to the unfreeing Janesville.
- (3) The Value-Add-Tax is not included in the price.

§ 4 Invoices and supplier declarations

- (1) The invoice shall be sent to Janesville's address and must not be enclosed with the delivery. It must contain legally necessary data and the order number in minimum and one copy of this invoice shall be submitted to Janesville without delay but at the latest within 5 days of delivery. Receipt of the invoice shall not render accounts receivable due for payment.
- (2) It shall be deemed that the invoices have not been submitted until the form requirements set out in § 4 Item (1) have been satisfied.

§ 5 Conditions of payment

- (1) In the case of payment within 14 days Janesville shall be entitled to deduct a 2% trade discount. The time of the transfer by Janesville is deemed authoritative in the event of a dispute.
- (2) Default on payment shall only occur 30 days after due date of invoice. The determination of the due date starts with reception of material, completely fulfilled service or reception of invoice.
- (3) The payment shall then be made subject to checking the invoice.
- (4) In the case of the acceptance of early deliveries, the deadlines as regards determining the due dates shall only commence following the agreed delivery date.

- (5) Interest on arrears for payment claims shall be limited to a maximum of 5 percentage points above the base lending rate. If the supplier pays lower interest on credit, such rate shall be deemed authoritative. In the event that compensation claims are lodged for delayed performance, the supplier is to provide Janesville with proof of the interest on credits that the supplier pays.
- (6) An extended reservation of title is excluded.
- (7) Janesville is entitled to have right to retain and/or offset deliveries under legal conditions.

§ 6 Delivery dates and periods

- (1) The dates, quantities and periods listed in the order and/or delivery schedule shall be binding and satisfied/complied with in full. Janesville is not under obligation to accept partial performance. In the event that the supplier brings about partial performance, Janesville may, following a reasonable period of warning, perform services for the entire amount that has proved unsuccessful, reject the partial deliveries as not due. Receipt of the goods at the agreed unloading point of Janesville, and insofar as no unloading point is agreed, at Janesville's registered office, shall be deemed authoritative as regards complying with the delivery dates.

§ 7 Dispatch/place of performance/passing of risk

- (1) In each case, the delivery shall be made to the shipping address given in the order. The goods are to be accompanied by a delivery note in duplicate.
- (2) Unless Janesville has undertaken dispatch itself and/or specified the freight forwarding company, the place of performance shall always be the shipping address given on the order.
- (3) Unless it has been agreed otherwise, Janesville shall take out the transport insurance. Janesville is exempted from the mandatory freight forwarders' insurance (SLVS-Verzichskunde). This does not affect the point at which risk is passed from the supplier.

§ 8 Delay in delivery

- (1) The supplier shall bear the supply risk for the order and/or delivery schedule shall be binding and satisfied/complied with in full. Janesville is not under obligation to accept partial performance. In the event that the supplier brings about partial performance, Janesville may, following a reasonable period of warning, perform services for the entire amount that has proved unsuccessful, reject the partial deliveries as not due. Receipt of the goods at the agreed unloading point of Janesville, and insofar as no unloading point is agreed, at Janesville's registered office, shall be deemed authoritative as regards complying with the delivery dates.

- (2) The date stated in written orders by Janesville or in other declarations by Janesville in conjunction with the order shall be deemed authoritative as regards the delivery date determined according to the calendar. Dating on the part of the supplier is irrelevant regarding the time of the service rendered by the supplier unless such dates correspond with those stated by Janesville.

- (3) As soon as the supplier sees that he is experiencing difficulties with the procurement of materials, manufacture etc., which could prevent him from supplying the contractual goods within the stipulated period, he shall inform Janesville of this fact immediately. This shall not affect his obligation to supply the goods on schedule or to assume the supply risk.

- (4) The acceptance of a delayed delivery or performance does not in any way constitute a relinquishment of the claims against the supplier to which Janesville is entitled as a result of the delayed delivery. Janesville may at all times reject partial performance as non-performance of the obligation to deliver on the part of the supplier.

- (5) If the supplier is under obligation to supply Janesville with delivery items on several occasions, and if the supplier exceeds the agreed delivery dates in the case of two deliveries/partial deliveries, Janesville shall be entitled to cancel an outline agreement that may exist between the parties pertaining to the delivery on the grounds of an important reason. In this respect the objection raised by Janesville regarding the initial non-compliance with the time limit shall be deemed a warning if the objection is unsuccessful on the grounds of the additional non-compliance with time limits. This does not affect Janesville's right to assert all rights to which Janesville is entitled as regards non-compliance with the time limit of the respective supply of single items. If no outline agreement is in place between Janesville and the supplier in the above-mentioned cases, Janesville shall, in the case of non-compliance with time limits on two occasions, be entitled to withdraw from the deliveries/parts of deliveries that remain outstanding. This shall also apply if the supplier was not responsible for the delay. This does not affect further-reaching rights on the part of Janesville, even in the event that a withdrawal is declared.

§ 9 Force majeure

- (1) Incidents of force majeure, strikes and lock-outs at Janesville or at Janesville's suppliers, which result in production being stopped or restricted and which could not be avoided, in spite of taking reasonable care under the circumstances, entitle Janesville to postpone acceptance and payment for the duration of the impediment and a reasonable start-up period.

- (2) Should the acceptance be deferred in the above mentioned cases and the time fixed for payment be extended, any possible claims for compensation and rights to cancel the contract on the part of the supplier shall not apply. However, Janesville may only claim relief by reason of such circumstances if Janesville has informed the supplier of these events within a period appropriate for the circumstances.

- (3) Should these impediments last longer than two months, after granting a reasonable additional period the supplier shall be entitled to withdraw from the contract in respect of the part that has not yet been completed.

§ 10 Quality and documentation

- (1) The goods or services delivered by the supplier shall comply with the generally accepted rules of engineering practice, safety regulations and the agreed technical data. Alterations to the delivery item or a production process that has already been cleared, or the transfer to another location shall be subject to prior, written approval by Janesville.

(2) Should Janesville request initial samples, series production may not commence until written confirmation has been given that the samples have been passed as good. Insofar as Janesville has not specified any other, more stringent, quality requirements, the initial samples are to be made available in accordance with volume 2 of the VDA (German Automobile Industry Association) publication or in accordance with PPAP (QS 9000). The material data is to be entered in the IMDS material database in addition to the initial samples and made available to Janesville.

(3) In addition to this, the supplier shall as an on-going procedure inspect the quality of the goods supplied and design his quality assurance system so that it always incorporates state-of-the-art technology, in particular in respect of ISO 9001, ISO TS 16949 or QS 9000 and VDA 6.1. The supplier is to place vendor suppliers under obligation to the same extent by way of available legal means. In addition to this, the supplier shall indicate to Janesville any potential improvements in quality assurance which may be possible.

(3) Where the supplier has received from Janesville drawings, samples or other specifications, he shall undertake to comply with these in respect of the type, nature and execution of the goods or services supplied. The supplier may not refer to documents, sales messages or drawings that contain statements about the quality of the delivery item insofar as the requirements stated therein do not comply with Janesville's requirements in the above-mentioned documents. In other respects the supplier is, however, bound by such statements insofar as these extend beyond Janesville's requirements as regards quality. In the case of vehicle components marked in the technical documentation or where it has been specifically agreed, e.g. marked with "D", the supplier shall in addition keep special records indicating when, in which way and by whom these goods or services have been inspected in respect of the features for which documentation is compulsory and which results have been obtained from the required quality tests. Within the scope of what is possible legally, the supplier shall obtain the same undertaking from his own suppliers. As a guide, reference is to be made to the latest edition of the VDA (German Automobile Industry Association) publication on "Parts for which documentation is mandatory at automobile manufacturers and their suppliers, implementation of documentation", Frankfurt (Main).

(4) Should the authorities require Janesville or Janesville's customers to allow them to inspect production procedures or production documentation for specific requirements, the supplier declares that he is willing to grant them the same rights in his company and to give any reasonable assistance required in this context. In addition, the supplier shall also ensure that these rights will be granted to the authorities, Janesville or customers of Janesville in respect of his sub-contractors.

(5) In the case of materials which for reasons of legislation, regulations, other provisions or their composition or their effect on the environment will require special treatment in respect of packing, transport, storage, handling and/or waste disposal, the supplier shall submit to Janesville with the quotation a safety data sheet, completed in full, any data sheet that may be required for further distribution abroad and a relevant accident data sheet (transport). Should changes in the materials or legal position occur, the supplier shall submit revised data sheets to Janesville.

(6) The type and design of the packaging of the product has to be chosen by the supplier to ensure an undamaged, impairment-free and handling optimized presentation and a re-use or recycling of the packaging material.

§ 11 Notice of defects

(1) Insofar as Janesville is under obligation to provide notice of defects in quality, such notice is to be given in the case of obvious defects at the latest 14 days following receipt of the goods.

(2) In the case of goods for which the defect can only be detected by processing on the part of Janesville and/or installation on the part of Janesville's customers, the notice of defects shall be deemed to have been given in good time if it is made within one week after the defect has been detected at Janesville's premises or following receipt of the notice of defects in quality issued by Janesville's customer.

(3) In the event that a claim is lodged by Janesville's customer as a result of a defect - irrespective of non-compliance with the regulation pertaining to proper notice of defects - the notice of defects on the part of Janesville shall be deemed to have been made in good time if the notice of defects on the part of Janesville is made 7 days after notice is given of the defect by Janesville's customer.

(4) If a claim can be made against the supplier as a result of a defect that is attributable to the fact that the supplier and/or his various agent made inaccurate statements to Janesville's customer regarding the quality of the delivery item, the notice of defect shall be deemed to have been made in good time if Janesville provides the supplier with notice of such a defect 14 days following the notice of defect made by Janesville's customer.

(5) If the facts provided for in accordance with Para. (1) to (4) constitute a restriction of the supplier's rights resulting from § 377 of HGB (German Commercial Code), the supplier shall be obliged to delay the delivery of the goods.

(6) Payment of the purchase price that may have been effected before the defect was detected does not constitute any recognition that the goods are free from defects and were delivered according to regulations.

§ 12 Material defects

(1) In the case of a deficient delivery, the statutory provisions shall be deemed valid at the time of the delivery by the supplier insofar as nothing contrary to these conditions of purchase is agreed upon.

(2) The provision of § 8, Para. (5) of these conditions of purchase apply accordingly to deficient call-up orders.

(3) Insofar as nothing to the contrary is specified hereinafter, the statute of limitations for claims for material defects that do not apply to a structure, and which are not objects that are normally used for a structure, is 24 months from the time at which the delivery item is processed by Janesville, at the most, however, 30 months from the handing over of the delivery item at Janesville's premises. If the delivery parts in question amount to parts that are installed in motor vehicles, the statute of limitations shall commence at the time at which the motor vehicle is initially licensed. The statute of limitations for material defects shall end in such cases at the latest, however, 36 months from the handing over of the delivery item at Janesville's premises.

§ 13 Producer's liability

(1) The goods and components to be supplied to Janesville are - unless otherwise specified - intended for installation in motor vehicles or special vehicles and marine engines, aircraft and railway vehicles. These products are used throughout the world.

(2) The supplier must carry out all inspections of the products manufactured and/or supplied by him, irrespective of any goods-in inspections that may be undertaken by Janesville. The supplier shall be responsible for the fault-free quality of the goods delivered. Any inspections carried out by Janesville shall not release the supplier from this obligation.

(3) The statutory provisions shall be deemed applicable as regards claims lodged by Janesville against the supplier pertaining to producer's liability. Should a claim be made against Janesville for product liability or a breach of safety regulations imposed by the authorities under legislation in Germany or other countries, the supplier shall reimburse Janesville for any losses incurred as a result of this, including the cost of the legal action, providing the supplier is the manufacturer of the part of the delivery that caused the defect as defined by § 4 para. 1 - 3 of the Law on Product Liability of the part of the delivery that was defective or caused the defect. This liability of the supplier shall also exist if the supplier is not negligent. If a claim is made against Janesville under German or foreign law on the grounds of liability with fault on account of this defective part of the delivery, the same rules governing the burden of proof shall apply to the relationship between Janesville and the supplier as between the claimant and Janesville. Should several parties be liable to pay damages for the same loss, § 5 of the Law of Product Liability shall apply in this case. Where Janesville is also liable, § 6 of this law shall apply. If Janesville is obligated to carry out a recall campaign on account of a defect caused by the goods supplied by the supplier, and if such a recall campaign constitutes a reasonable action, the supplier shall undertake to cover the costs. If the costs are to be apportioned among several responsible parties, the provisions set out in §§ 5 and 6 of the Law on Product Liability shall apply accordingly.

(4) The supplier undertakes to conclude an appropriate third party liability insurance contract, in particular to conclude a product liability insurance contract with a coverage of minimum 5 Million € for each damage to persons or property which also includes the call-back costs. At Behr's request the supplier is to furnish proof without delay of the conclusion of such an insurance contract.

§ 14 Property rights

(1) The supplier shall be liable for claims that arise as a result of the infringement of property rights and applications for property rights when the goods supplied are used as specified in the contract. Of these property rights, at least one of the series of property rights are published in the European Union, Japan, USA, Brazil, Switzerland or South Africa.

(2) The statute of limitations as a result of the liability for the violation of proprietary rights shall commence as soon as the claim arises and Janesville has gained knowledge of the circumstances which establish the claim or Janesville should gain such knowledge without gross negligence. At most it shall amount to 10 years from the handing over of the delivery item.

§ 15 Supply of spare parts

The supplier undertakes to ensure that spare parts respectively raw materials used will be provided for the proposed service life of the finished products. The finished products are largely passenger motor vehicles and lorries. The service life of such products is at least 15 years.

§ 16 Manufacturing equipment

(1) Materials or parts supplied by Janesville shall remain the Janesville's property and must be marked "Janesville". Such items may only be used for the purpose intended. The materials shall be processed and components assembled for Janesville. It is agreed that Janesville will be a joint owner of the items produced using materials and components supplied by Janesville, the value being in proportion to the value of the items supplied in relation to the overall value. Handing over is replaced by an agreement that the goods will be held in the supplier's possession until the agreed delivery date for processing and will be kept separately for Janesville.

(2) Documentation of whatever kind, which Janesville has made available to the supplier, such as samples, drawings, masters and similar shall be returned free of charge to Janesville upon request.

(3) The supplier shall undertake to take out at his own expense adequate insurance against all risks and in particular fire and theft to cover the materials and components provided and, if requested, to furnish proof that such an insurance policy has been taken out.

(4) Molds, masters and equipment, etc. may only be destroyed if written permission has been obtained from Janesville. The supplier shall undertake to submit at regular intervals and whenever requested to do so a list of manufacturing equipment owned or jointly owned by Janesville.

(5) If requested to do so by Janesville, the supplier shall hand over immediately but at the latest within one day the materials, components, molds, masters, equipment or other manufacturing equipment provided by Janesville. If the manufacturer is the joint owner, the goods will be handed over gradually against payment of the manufacturer's share of the goods. In the event of a dispute concerning the amount of the figure relating to the jointly owned goods, Janesville can avoid the right of retention being exercised because of this joint ownership by issuing a guarantee for the amount in dispute. In other respects, the right of the supplier to retain manufacturing equipment is excluded, if the demand on which the right of retention is based is disputed by the parties or where no final legal judgement has been given.

(6) Where the security rights to which we are entitled in accordance with para. (1) exceed the purchase price of all our reserved goods that have not yet been paid for by more than 10%, if requested by the supplier we undertake to release the security rights, as chosen by us.

§ 17 Compliance and Environment

(1) Janesville does not accept child work. The supplier is obliged to not employ child workers in its business when accepting an order. The employees shall not be younger than 15 years (or 14 years if the country of manufacturing allows) or be employed while younger than the minimum age in which the compulsory school attendance ends.

(2) The environmental policy of Janesville contains the commitment to avoid pollution and to gently handle resources being available. Complying with laws and legal stipulations is therefore compulsory. To support this principle the supplier is obliged to select and offer products or services that conserve resources and save energy.

(3) During evaluation and selection of suppliers for products and services environmental relevance and energy efficiency are criteria as well as quality and commercial aspects.

§ 18 Origin of goods, preferences, rules in international trade

(1) The supplier is obliged to submit a long-term supplier's declaration in which he confirms the legal preference status ("Goods with EU preferential origin" or "goods without EU preferential origin") for all delivered items to Janesville. The supplier shall be liable for all resulting damages to Janesville in case of breach of this obligation or in case of incorrectly issued statements.

(2) The supplier is obliged to check the products which they are subject to international trade prohibitions, restrictions and / or licensing requirements (eg with regard to the export list, Dual-Use Regulation, U.S. re-export regulations, etc.) and to identify those if applicable in quotations, order confirmations and all shipping documents accordingly with verifiable and unambiguously data. In the case of breach of this obligation, the supplier is liable to Janesville for any resulting damage, including additional claims of foreign duties, fines and alike.

§ 19 Business secrets

(1) Janesville is also obligated to treat Janesville's order and all commercial and technical details associated with this as a business secret. This obligation shall apply to all after the end of the contract, until this business secret is - without any involvement on the part of the supplier - in the public domain.

(2) Products that have been manufactured on the basis of documentation produced by Janesville such as drawings, masters and similar or using confidential information provided by Janesville or using Janesville's tools or tools copied from Janesville may not be used by the supplier himself or be offered or supplied to third parties.

(3) Parts that have been developed or further developed by Janesville in conjunction with the supplier may only be delivered by the supplier to third parties with Janesville's written authorization.

(4) Where the supplier has involved sub-contractors in the performance of his delivery obligation to Janesville, he shall ensure that they will also give undertakings in respect of the scope of § 17 para. (1) and (2) with regard to confidentiality. Where requested to do so by Janesville, the supplier shall provide Janesville with proof of an appropriate written agreement with his sub-contractor.

(5) The Supplier shall furthermore ensure that all people who are employed with the processing or fulfillment of the contract follow the statutory provisions on data protection in accordance with the latest revision of the Bundesdatenschutzgesetz and do not pass on information obtained in the area of Janesville to third parties or otherwise utilize them. On request a written statement of commitment to data secrecy according to § 5 BDSG has to be given to the company's data protection representative.

§ 20 Special processing

(1) Delivery schedules shall only apply in conjunction with a corresponding price agreement. The arrangements below shall only relate to the processing of orders which result from delivery schedules.

(2) Backlogs for which notice is given are to be delivered without delay as immediate demand and apply to previous delivery allocations. Insofar as they will automatically be assigned fixed call-off criteria, etc. Raw materials may be made available for a further month. The figures provided for planning purposes shall not be binding. We shall be entitled to modify the scope of the order in accordance with our requirements.

(3) If Janesville has not received a communication refusing the order within three working days, the order shall be considered to have been accepted.

§ 21 Final provisions

(1) The law applicable in the Federal Republic of Germany shall apply to these Conditions of Purchase and the entire legal relationship between Janesville and the supplier. The application of the agreement of the United Nations on contracts concerning the international sale of goods (CISG dated 11.04.1980) is excluded.

(2) The exclusive place of jurisdiction for all disputes arising directly or indirectly from this agreement shall be Sulzbach-Rosenberg or Amberg/Ob. and, if selected by Janesville, the place of jurisdiction of the supplier.

(3) If one party to the contract suspends payments or if insolvency proceedings have been instituted against the assets of the contracting party or if arrangement procedures have been initiated either in or out of court, the other party shall be entitled to withdraw from the part of the contract that has not been completed. This does not affect further-reaching claims.

(4) Should one provision of these Conditions of Purchase or one provision of other agreements be or become invalid, the validity of all other provisions or agreements shall not be affected. If the invalid agreement in question does not amount to the General Terms and Conditions of Business, the parties shall be under obligation to replace the invalid agreement with a valid agreement which comes closest to the economic purpose of the invalid agreement in a manner that is deemed legally valid.

German version is binding! Interpretation according to binding German conditions!