

**The Webasto Group's General Terms and Conditions for Purchase**  
**(07 / 2020)**

**1. Validity**

- 1.1 These General Terms and Conditions for Purchase by Webasto SE and the companies connected with it according to Sections 15 ff. AktG (German Stock Corporation Act) (together "**Webasto**") shall apply to the production, acquisition, delivery, performance and/or purchase of products of any kind, especially prototypes, parts, spare parts, components, aggregates, substances, materials, rights, services and/or systems, including software contained therein or related thereto as well as associated documentation and the source and object code of this software (together "**Delivery Items**"), which have been acquired by Webasto from the respective the Supplier ("**the Supplier**") for the purpose of producing Webasto products and/or otherwise for the performance of business activities by Webasto ("**Webasto General Terms and Conditions**"). The Webasto General Terms and Conditions can be viewed and downloaded at <https://www.webasto-group.com/en/the-company/supplier-portal/> ("**the Supplier Portal**").
- 1.2 The legal relationship between Webasto and the Supplier (Webasto and the Supplier respectively also the "**Party**" and collectively the "**Parties**") in connection with the purchase of Delivery Items by Webasto shall be based exclusively on these "Webasto General Terms and Conditions", of which the "Webasto General Terms and Conditions for Tools" and the respectively current Webasto supplier quality guidelines („**QW1**") are an integral part, which can each also be viewed in the Supplier Portal. This applies also to all future business relationships for the purchase of Delivery Items, even if then the validity of the terms of these Webasto General Terms and Conditions are not expressly agreed upon again. The acceptance of the Supplier's Delivery Items or payments by Webasto to the Supplier without objection shall under no circumstances constitute recognition of other terms and conditions of the Supplier. Webasto objects to any additional or contradicting terms or conditions in any offer or acceptance of the Supplier, and such terms or conditions shall not become part of the delivery agreement unless the Parties have agreed otherwise in writing. Separate, additional objection in individual cases is not necessary.
- 1.3 The Supplier shall ensure that the provisions of these Webasto General Terms and Conditions find relevant application in the case of any subcontractors and/or third parties (see number 3) authorized by the Supplier to fulfill the delivery and performance obligations to Webasto. The Supplier shall be obliged to ensure that his subcontractors or third parties comply with the provisions of these Webasto General Terms and Conditions for Production and grant Webasto the rights formulated in these Webasto General Terms and Conditions.
- 1.4 Amendments, supplements and side agreements to these Webasto Terms of Business and the delivery contract (see below, Clause 2.3) shall be made in writing. The change of the written form requirement must also fulfill this requirement.

**2. Orders, delivery contracts, releases, changes**

- 2.1 Orders, delivery contracts, releases for the purchase of Delivery Items as well as their acceptance, changes and additions shall be made in writing, but can also be effected by fax or via electronic data transmission. In addition, delivery contracts are concluded when the Supplier starts to provide the service or begins to deliver the Delivery Item, which is the subject of the order or the offer on the conclusion of a delivery contract or the release.
- 2.2 An order by Webasto is an offer to the Supplier to conclude a delivery contract. Prior to acceptance by the Supplier, Webasto may revoke an order at any time and without any liability towards the Supplier. An order does not represent acceptance of an offer by the Supplier unless expressly stated in the order. Any reference to offers or letters of the Suppliers made in an order shall only apply to the item referred to and only to the extent to which the order is not inconsistent with the item referred to. Releases shall be binding, unless the Supplier objects in writing towards Webasto within 48 hours upon receipt due to unreasonableness of the quantities or the dates, stating the earliest possible delivery dates.
- 2.3 The order or a release and the Webasto General Terms and Conditions shall be deemed to be accepted by the Supplier in their entirety and without any modification if the Supplier accepts an order or release in writing or by means of electronic data transfer or begins with the delivery of the goods or services set forth in the order or the release. Any accepted order or release or any agreement on the production, acquisition, delivery and/or other provision of Delivery Items otherwise concluded shall be a "**Delivery Contract**" within the meaning of these Webasto General Terms and Conditions.
- 2.4 The production of prototype parts, especially within a development, prior to acceptance of series production or changes in series production, shall each be in accordance with the drawing and the performance and/or requirements specifications, where available, which were approved by Webasto, in the latest index (together "**Specification**"). Any changes and improvements, achieved during a production of initial samples, shall be verified by the Supplier with regard to suitability for the intended purpose and the quality requirements, and the Supplier shall inform Webasto of such change or improvement. On Webasto's request the Specification shall be amended accordingly. The order for the series production shall be based on the amended Specification.

- 2.5 Quantities and delivery dates will be exclusively set forth in orders or releases. The Supplier shall ensure the required capacities in order to fulfill the quantities, including estimated quantities, pursuant to orders or releases. Unless provided otherwise in the release, the respective release shall constitute a production approval for a period of four (4) weeks and a material approval for a period of an additional four (4) weeks. Any further estimated quantities contained in orders or releases shall be considered to be non-binding. Any purchase obligation of Webasto shall be limited to the above-mentioned release periods.
- 2.6 Webasto reserves the right to make, or request that the Supplier make, modifications with regard to Delivery Items, Specifications and/or processes to a delivery contract at any time. The Supplier will immediately, usually no later than ten (10) days, demonstrate the effects of any such modification on price and delivery date by means of a cost breakdown and appropriate documentation. If such modification requires any deviation in price or delivery date, Webasto and the Supplier shall agree to an appropriate adjustment of the delivery contract.
- 2.7 If no specific quantity is set forth on the face of the Delivery Contract, or if the Delivery Contract identifies the quantity as "0," "REQ," "AS REL," "as released," or similar, the order is an exclusive 100% requirements contract under Michigan law and the Uniform Commercial Code.
- 2.8 The duration of the Delivery Contract is the life of each vehicle program into which the goods or services are ultimately incorporated, including model refreshes as determined by Webasto's customer, and including any period during which Webasto is obligated to provide service or replacement parts incorporating the goods or services to Webasto's customer (the "Term"). The Term may be lengthened or shortened as a result of Webasto's customer increasing or decreasing the life of the applicable vehicle program. Nothing in this section affects Webasto's rights to terminate the Delivery Contract as set forth in Section 22. Upon the expiration or termination of any Delivery Contract, Supplier will cooperate with Webasto and provide all reasonably requested support and information required by Webasto to facilitate Webasto's sourcing of the goods or services to a replacement supplier

### **3. Contracting of Third Parties, Transfer of production**

- 3.1 The Supplier undertakes to notify Webasto in advance of any sub-contracting as well as to obtain Webasto's prior written consent to such sub-contracting. Webasto will only refuse such consent for important reasons. In any case, the Supplier's direct legal responsibility towards Webasto shall remain unaffected by the contracting of third parties.
- 3.2 Moreover, the Supplier undertakes, in the case of production of Delivery Items, to refrain from transferring the place of production of Delivery Items or parts thereof without the prior written consent of Webasto.

### **4. Delivery dates and periods, disruptions and delays**

- 4.1 The delivery dates and periods stated in the order and/or in the release shall be binding. Relevant for the observance of the delivery date or delivery period shall be the receipt of the Delivery Items at the Webasto plant or location to be supplied.
- 4.2 Unless agreed otherwise, delivery of Delivery Items shall be made "*delivery duty paid*" (Incoterms 2010 DDP) (in the USA "free carrier" (Incoterms 2010 FCA)) and shall include the return of the packaging in circulation to the Supplier at the Supplier's cost.
- 4.3 The Supplier shall notify Webasto immediately in writing of any circumstances, which could lead to disruptions, especially to delayed or only partial delivery. The Supplier shall communicate the relevant measures, especially also a suitable emergency plan, with which the Supplier could prevent the disruption or deter its effects.
- 4.4 The Supplier shall bear all costs (especially additional freight charges, retrofitting costs, extra shifts, additional expenditure for covering purchases), which Webasto and Webasto's customer incur due to a failure to meet delivery dates for which the Supplier is responsible. In the event of the Supplier's delay regarding a delivery date, Webasto shall be entitled to demand a lump-sum compensation of 0.5% of the order and/or release value, but no more than 5.0% of the order and/or release value, for each beginning week of the delay. The right to prove that Webasto has suffered little or no damage remains expressly with the Supplier. Webasto's right to claim further damages shall remain unaffected.
- 4.5 In the event of an acceptance of a late delivery, Webasto explicitly reserves the right to exercise the rights set forth under Clause 4 above at a later point in time. The unconditional acceptance of a late delivery shall not constitute a waiver of any other compensation claims to which Webasto may be entitled.
- 4.6 To the extent it becomes apparent that the Supplier will permanently be unable to meet the delivery dates, the Supplier shall be obliged, after a deadline has been set, upon request of Webasto to surrender immediately all tools/devices required for production, which are property of Webasto, as well as by secondary law tools/devices that are the property of Third Parties (see also Clause 16.1) in order to enable Webasto to produce or

have a third party produce the Delivery Items for the duration of such inability. The costs of transfer of production shall be borne by the Supplier insofar as he is responsible for the delay. Claims by the Supplier due to the production transfer are excluded. Further claims for damages by Webasto shall remain unaffected.

- 4.7 Early deliveries, partial deliveries or excess quantities require written agreement by Webasto. If there is no written agreement Webasto has the right to refuse acceptance of these deliveries or to return them at the Supplier's expense. Independent of Webasto's previous agreement the Supplier shall compensate Webasto for costs and damages incurred through early deliveries, partial deliveries or deliveries of excess quantities, including additional transport costs incurred by these deliveries.

## **5. Force Majeure**

- 5.1 Force majeure, unrest, governmental measures and other unpredictable, inevitable and serious events shall release the Parties from their obligation to perform for the duration of the disruption and to the extent of its effect. This also applies if these events occur at a point in time when the affected party is in delay. Webasto shall be entitled to purchase elsewhere for the duration of the disturbance.
- 5.2 If the duration of the disturbance is not insignificant, and if the disturbance results in a significant decrease in the need, Webasto shall be entitled to cancel the part of the delivery contract, which has not yet been fulfilled, without prejudice to any other rights Webasto may have. In the event of any bar to performance for which Webasto is responsible, Webasto shall have no right of cancellation.
- 5.3 The Parties are obligated, as far as is reasonable, to immediately pass the necessary information to the respective other Party, to undertake everything to remove the disturbance and/or to reduce the effects of the disturbance. The Supplier shall notify Webasto immediately in writing of any delay within the meaning of Clause 5.1 which becomes apparent. If the Supplier fails to notify Webasto to this effect, or fails to notify Webasto in due time, and if the Supplier is responsible for such failure to notify Webasto or to notify Webasto in due time, the Supplier shall compensate the damage which could have been prevented had the notification been given in due time. In addition, the Parties shall search for alternative ways and means to make the continued performance of duty possible and if necessary to adapt their obligations in good faith to the changed circumstances for the time period of the disturbance. As soon as the disturbance no longer exists the Parties' original obligations to perform shall be fulfilled.
- 5.4 The Supplier undertakes to present to Webasto an appropriate emergency concept for the occurrence of the examples listed under Clause 5.1 above.

## **6. Inspection of outgoing goods, packaging, shipping, proof of origin**

- 6.1 The Supplier shall inspect the outgoing goods in view of defects in the Delivery Items.
- 6.2 All Delivery Items must be properly packed, labeled and shipped by the Supplier in such a manner as to ensure the lowest transportation costs, using customary care and diligence. Unless agreed otherwise, the Delivery Items shall be packed according to the packaging Specifications of Webasto (available on the Suppliers Portal) as applicable from time to time. The Supplier shall be liable for any damage due to faulty packaging, i.e. not according to the current packaging Specifications of Webasto and/or any other regulations to be observed.
- 6.3 The Supplier shall immediately obtain in full any and all documents and other information required under customs provisions or any other applicable state provisions, including, without limitation, (a) duty drawback documents and (b) all proofs of origin as well as (c) any and all other information relating to the origin of the Delivery Items and the materials contained therein under commercial law or provisions governing preferential trade
- 6.4 If Webasto determines a carrier or a means of transport, the Supplier shall ship by such carrier and means of transport.

## **7. Quality**

- 7.1 The Supplier guarantees that his deliveries and services are suitable for the intended use and that their condition is without fault with reference to the utilized materials and design. The Supplier shall comply with accepted state of the art in science and technology, as well as the agreed Specifications, quality, environmental, emissions, safety and testing rules and regulations as well as with the agreed technical data. Any change of the Delivery Items or of materials, tools or production processes shall require the prior written consent of Webasto. The Supplier shall review the Specifications and notify Webasto immediately of any modifications that may be necessary, especially if required to improve quality.
- 7.2 As regards the quality assurance procedures to be complied with by the Supplier, Webasto's QW1 guidelines as applicable from time to time shall apply. The Supplier will comply with the procedures and documentation duties set forth therein. In addition, further-reaching requirements for specific parts may be documented in

quality agreements. The initial sample inspection procedures, as described in QW1, are supplemented by the requirements documented in the respective first sample orders.

- 7.3 The Supplier shall ensure that the Delivery Items and the processes necessary for their production and/or processing observe the national and international laws and regulations relevant to the respective Delivery Item in the country of manufacture and in the distribution markets for the products into which the Delivery Items are installed and/or for which they are used. The Supplier shall indemnify Webasto from and against any and all claims under private or public law arising from a violation of such provisions. The Supplier shall include all required inspection documents and certificates as agreed. Furthermore, the Supplier shall, at the Supplier's cost, feed the required information in corresponding systems which serve to comply with the provisions listed in the Numbers above (such as the International Material Data system, "IMDS").
- 7.4 The Supplier will record in the Supplier's quality documents when, how and by whom the defect-free production of the Delivery Items and/or deliveries has been ensured, and will prepare a corresponding documentation which shall be made available without delay to Webasto upon request. This documentation shall be kept for fifteen (15) years after the end of the series production by Webasto's customers, for whom the Delivery Items were used, and to be presented to Webasto when necessary. The Supplier has the right to shorten the retainment period of the documentation if he can exclude danger to life and health when the Delivery Items are used, i.e. in case the Delivery Items are installed into Webasto products. The Supplier shall obligate sub-suppliers within the limits of the law to the same extent. Further specific requirements for documentation and its archiving are set forth in QW1.
- 7.5 Notwithstanding the above the Supplier will control the quality of the Delivery Items in regular intervals and ensure their conformity to the quality requirements of QW1 and/or the agreed quality requirements; the Supplier will present the agreed inspection documents. The Supplier will inform Webasto immediately and in writing of any quality problems of the Delivery Items which may occur. The Parties will inform each other about possibilities of improving quality.
- 7.6 Webasto shall have the right upon advance notice to reasonably inform themselves on the compliance with the quality specifications and the quality management system and to inspect the corresponding records at the Supplier's premises. The Supplier will support Webasto, make records available and provide information as required.
- 7.7 If and to the extent that the Delivery Items or parts thereof are safety-relevant in accordance with domestic and/or foreign laws, guidelines or other applicable provisions, the Supplier undertakes to document, at Webasto's request, the homologation and the manufacturing process for the Delivery Items, in particular (test methods), by whom (natural/legal persons) and with what result the safety-relevant Delivery Items and/or parts thereof were tested. To the extent that any public authority competent for motor vehicle safety, emissions rules or the like request access to the production process and the inspection documents of Webasto, the Supplier agrees upon request of Webasto to grant such authorities the same rights at the Supplier's premises and to provide every reasonable support in this respect.

## **8. Competitiveness**

- 8.1 The commercial basis of the delivery contracts is that the Supplier remains competitive with regard to prices, quality, innovativeness of the Delivery Items and security of supply.
- 8.2 If a comparable product is offered to Webasto at competitive conditions, Webasto will notify the Supplier thereof in writing and will set a reasonable period of time for the Supplier to restore full competitiveness of the Delivery Items. The Supplier will promptly prepare a catalogue of actions and will furnish Webasto with such catalogue, together with a corrected offer. If Webasto accepts the corrected offer, the Supplier shall restore competitiveness of the Delivery Items according to the corrected offer within the reasonable period of time set by Webasto. The obligation to maintain competitiveness shall be a material contractual obligation. In the event of any violation of such obligation, Webasto may demand adjustment or terminate the agreement in whole or in part for cause.

## **9. Prices, invoicing, payment, transfer to third parties**

- 9.1 The agreed prices do not include applicable sales tax currently in force. Prices shall be fixed prices and represent the total price for the manufacturing and delivery of Delivery Items including packaging under a delivery contract. The Supplier shall not have the right to adjust prices or invoice additional costs of any nature whatsoever without explicit prior written consent of Webasto.
- 9.2 Unless agreed otherwise in the orders, payment shall be made sixty (60) days after contractual receipt of the Delivery Item or the Delivery Items and the receipt of a proper and verifiable invoice. The invoice shall correspond to current legal Specifications, including especially the VAT identification number or tax number, delivery or service date, number and kind of invoiced Delivery Items. In addition, the Supplier number, delivery note number, order number and date (or delivery contract and/or release number) shall appear in the invoice.

Webasto may reject any invoice which does not show the complete order number. Receipt of the correspondingly corrected invoice shall be relevant for the beginning of any agreed payment period.

- 9.3 In the event of acceptance of an early delivery, the agreed delivery date shall be relevant for the due date of the payment. Payment shall be made via bank transfer, via check or – where agreed – via credit note procedure, as well as subject to invoice verification.
- 9.4 In the event of defective deliveries, Webasto shall further be entitled to withhold payment in proportion to the value until due and proper rectification.
- 9.5 Without prior written consent the Supplier shall not be entitled to assign to, or have collected by, third parties any of the Supplier's claims against Webasto. If, contrary to Clause 9.5, the Supplier assigns the Supplier's claims against Webasto to a third party, Webasto may at its choice discharge its obligation either towards the Supplier or towards the third party. In the event of a prolonged reservation of title in favor of a sub the Supplier, the consent shall be deemed to have been given.

## 10. Notice of Defects

- 10.1 Upon receipt of Delivery Items Webasto will carry out identity and quantity inspection by means of the delivery note, as well as check the Delivery Items for obvious transport damage and other recognizable outer damage. If Webasto discovers any defects during this process, Webasto will show it to the Supplier immediately. Any defects not discovered during this process will be shown to the Supplier by Webasto within a reasonable time, as soon as these have been determined according to the circumstances of the normal course of business. Thus, the Supplier waives the objection of delayed notice of defects.
- 10.2 Any payment made prior to the detection of defects or the inspection of Delivery Items by Webasto and/or the customer, the acceptance of Delivery Items and/or other releases shall not constitute acknowledgement of the Delivery Items being free from defects and shall not release the Supplier from the warranty and/or his indemnity according to the terms and conditions of the delivery contract and/or these Webasto General Terms and Conditions.
- 10.3 Notwithstanding the foregoing, in the United States Webasto is not required to perform incoming inspections of any Delivery Items, and Supplier waives any right to require Webasto to do so. Payment by Webasto is not acceptance of nonconforming Delivery Items. Any inspection by Webasto or its customer is not acceptance of the Delivery Items or a waiver of strict performance and does not relieve Supplier of any liability or warranty for the Delivery Items.

## 11. Warranty Claims

- 11.1 Regardless of the warranty according to Clause 11 the Supplier guarantees that all Delivery Items (a) conform to the Specifications, especially the prototypes and drawings, and other requirements, (b) are free from any defect in design, production and material, (c) are of merchantable, but at least the agreed upon quality and (d) are fit for the particular purpose for which they are purchased. Any Delivery Items, which are found not to meet any of the above-mentioned requirements, shall be deemed to be "**Defective Delivery Items**".
- 11.2 If before the start of production (processing or installation) or use Defective Delivery Items are discovered, Webasto shall first give the Supplier the opportunity within a reasonable period of time to screen the goods, to remedy the defect or to make a supplementary (replacement) delivery, unless this is deemed unacceptable by Webasto. If this is unacceptable to Webasto, especially in view of a smoothly running production, smoothly running operations or to reduce Webasto's or a Webasto customer's damages, Webasto can undertake to rectify the defects itself or have a third party rectify them. The costs shall be borne by the Supplier. Webasto shall inform the Supplier about the removal of defects.
- 11.3 If the defect is only discovered after production, Webasto can demand the delivery of defect-free Delivery Items and reimbursement of all costs incurred in connection with the subsequent delivery (e.g. costs for examination, sorting, deinstalling/installing) as well as material. In the event that the Delivery Items are already in Webasto's or a Webasto customer's production or sales process or in use by the end customer, a deadline for supplementary performance shall be deemed to be dispensable. In the event the Delivery Items have already been installed and delivered to Webasto's Customer, and to the extent that Webasto does receive Delivery Items from its Customer for inspection, the Supplier shall receive parts for inspection. The Supplier agrees to accept the determination of Webasto's Customer or from contracted third parties (e.g. workshop) as proof that the Delivery Items are defective, also without Defective Delivery Items having been provided for inspection. Costs and expenses mentioned in Clause 11 shall be reimbursed, if they incur, even if a replacement of defective parts is not necessary for subsequent performance, especially when defect-free or new software is installed.
- 11.4 Insofar as the Delivery Items to be replaced are not part of the diagnosis of defects or are not made available to the Supplier for technical analysis or reworking, Webasto shall scrap them at the Supplier's expense or instruct the Supplier to scrap them at his own expense. Unless agreed otherwise the Supplier has no right to

distribute or use the Defective Delivery Items for his/her own purposes or the purposes of third parties. Webasto reserves the right to verify the fulfilment of the Supplier's obligations according to this Clause 11.4 on the Supplier's premises.

11.5 In case of defects the Supplier is not entitled to right of retention.

11.6 The warranty period for Delivery Items shall be thirty-six (36) months with the exception of Delivery Items used in Webasto products and/or vehicles for the North American market (USA, Canada, Puerto Rico, Mexico), for which the warranty period shall be forty-eight (48) months. If clients of Webasto assert a warranty claim towards the end of the aforementioned periods, these periods shall be extended by six (6) months. The warranty period shall in each case be calculated from the initial registration of the end product (vehicle or machine) or, for Delivery Items for retrofitting purposes, from the assembly of the Webasto product. The maximum warranty period in both cases shall be no longer than sixty (60) months upon delivery of the Delivery Items. The above-mentioned respective warranty periods do not apply if the Supplier has concealed the defect of a Delivery Item and if the applicable legal warranty periods for these cases are longer. But if the legal warranty periods are shorter, even in the case of fraudulent intent, the abovementioned warranty periods apply. If legal requirements outside of Germany and/or countries, where products or spare parts by Webasto or by Webasto customers are distributed, provide for a longer limitation period for defect claims, these periods apply instead of the warranty periods stipulated in this Clause 11.6.

11.7 Insofar as the abovementioned is not regulated differently, other claims for compensation and damages for the Delivery Items of Defective Delivery Items as well as other legal or contractual rights shall remain unaffected by the stipulations of Clause 11.

## **12. Liability**

12.1 If any third party asserts any claim against Webasto under liability without fault, especially product liability, the Supplier shall indemnify Webasto from such claims and the ensuing compensation and damages (including legal costs), insofar as the Delivery Item's defect was caused by the Supplier.

12.2 If Webasto and/or third parties, especially the manufacturers of the vehicles (or any other end products) into which the Delivery Items or products, components, software or systems containing the Delivery Items have been assembled, execute measures to prevent damages, e.g. a recall, any other field- or garage action or a customer service campaign (hereinafter collectively referred to as "**Recall**"), either upon their own decision or upon the decision of any public authority, the Supplier shall be liable to Webasto for any and all damages in connection with such Recall (including legal costs), to the extent that such Recall results from the delivery of Defective Delivery Items or from any other violation of the delivery agreement by the Supplier.

12.3 The Supplier shall support Webasto upon request in appropriately clearing up and preventing third party claims. Webasto will inform the Supplier in case of such liability cases about the details as well as give the Supplier opportunity to investigate the incident, unless the informing or including the Supplier is not possible or unacceptable to Webasto due to special urgency.

12.4 Webasto's other legal or contractual rights, especially for product liability reasons, unauthorized handling and/or unlawful acts and agency of necessity, remain unaffected by the stipulations of Clause 12.

**12.5** If the Supplier hires out employees to Webasto within the scope of fulfilling his obligations under the Delivery Contract or other agreements, this shall not result in an employment relationship between Webasto and the employees hired out. In this case, the Supplier alone shall be responsible for the proper payment of all taxes and levies arising from the activities of the employee entrusted to him/her, in particular for the proper payment of the respective social insurance amounts. The Supplier shall indemnify Webasto in full and on first demand against any claims and/or the assertion of claims by third parties arising therefrom, in particular from any false self-employment or the accusation of false self-employment.

## **13. Insurance**

The Supplier undertakes to purchase and maintain appropriate insurance coverage with regard to his obligations. The Supplier undertakes to take out and keep operating liability insurance and – insofar the Supplier produces the Delivery Items – with extended product liability with coverage for deinstallation and installation costs and a vehicle recall cost insurance with an appropriate sum insured of at least 5 million euros and for Delivery Items with high risk, especially electronic parts, of at least 10 million euros per damage event. Proof of this insurance is to be shown to Webasto before the Agreement is finalized both in reference to the scope of coverage and amount insured in the form of a written confirmation by the insurance provider. The Supplier shall annually submit proof of the existence of this coverage without being requested in the form of written confirmation by the insurance provider.

#### **14. Third party rights, proprietary rights, rights of use**

- 14.1 The Supplier shall ensure that the Delivery Items, the production processes as well as the use of the Delivery Items does not infringe any domestic or foreign patents, utility models, copyrights, design patent as well as trademark right or other intellectual property rights (together "**Proprietary Rights**") of any third party. The Supplier shall be liable for compensation and damages incurred from the infringement of these third-party rights (including legal action costs). Moreover, the Supplier shall indemnify Webasto from and against all legal disputes, claims or demands of third parties arising out of the actual or alleged infringement of Proprietary Rights by the use or the sale of the Delivery Items.
- 14.2 The Parties shall inform each other immediately when infringement risks and alleged infringement cases become known and shall support each other free of charge in any way appropriate in avoiding possible claims, e.g. in the analysis and evaluation of documentation.
- 14.3 Where the use of the Delivery Items by Webasto requires Proprietary Rights and/or copy rights of the Supplier, the Supplier shall grant Webasto free of charge the world-wide, irrevocable right to use, repair or copy Delivery Items which have been delivered under a delivery agreement, either directly or through third parties.
- 14.4 If standard user software is the object of a delivery agreement, the right of use pursuant to Clause 14.3 above shall apply and be freely transferable. The Supplier shall be obliged to provide Webasto with the required software. Remuneration for multiple use shall be explicitly excluded. The Supplier warrants that the sold software is free from any virus or similar defect.
- 14.5 If a delivery agreement contains development work remunerated by Webasto, either by means of a unique payment or through the price of the parts, any and all development results, especially know-how, trial and development reports, incentives, ideas, designs, layouts, drawings, suggestions, patterns, models, software including source code, data, CAD including history etc. (together "**Work Results**"), which the Supplier attains or uses, shall become property of Webasto. In this respect, the Supplier shall ensure that he is able to acquire and transfer to Webasto the rights to intellectual property development results, in particular inventions. Insofar as development results, in particular inventions, are capable of being protected by intellectual property rights, the Supplier shall notify Webasto without delay. Webasto shall be entitled to register industrial property rights in its own name and for its own account. Webasto may demand that the Supplier takes over the protectable results within four (4) weeks of notification. The Supplier is then obliged to transfer his rights to Webasto without delay. If Webasto decides not to file an application or if Webasto is no longer integrated in a property right that has already been applied for, the Supplier may pursue the application at its own expense. In this case, however, Webasto shall retain an unrestricted, non-exclusive right of use free of charge.
- 14.6 Insofar as the Work Results are protected by the Supplier's copyrights, the Supplier hereby grants Webasto free of charge the irrevocable, non-exclusive, world-wide license, to use, modify and edit these results in all types of use. Insofar as Proprietary Rights or patentable results arise from the services provided within the scope of the Supplier's delivery contract, Clause 14.5, first and second sentence apply accordingly. In the case of existing Proprietary Rights, copy rights and/or protectable rights, which are already in existence at the time of the conclusion of the delivery contract, and which are contained in the Work Results, Webasto receives an irrevocable, non-exclusive right of use that is unlimited in terms of time and space and sublicensable, which includes free use for the purposes of production and further development both by Webasto and also for Webasto by third parties.

#### **15. Product labeling**

The Supplier shall label the Delivery Items as specified by Webasto or as agreed. Any Delivery Items bearing a trademark or identifying mark proprietary to Webasto or provided with corresponding equipment, or packed in Webasto original packaging may be delivered by the Supplier solely to Webasto or to a third party designated by Webasto. Any further right to use the trademark and/or identifying mark shall not be granted to the Supplier. If Delivery Items marked with a Webasto trademark and/or identifying mark are rejected as entirely or partially defective, the Supplier shall disable them at the Supplier's cost. In the event of a violation of any of the above obligations, Webasto shall be entitled to cancel the order without notice, to demand surrender of that which the Supplier gained from the violation and compensation of the damage incurred to Webasto.

#### **16. Provided property**

- 16.1 All tools, models, templates, matrices, prototypes, measuring instruments, devices, forms and related software, specifications, especially drawings, confidential details and construction data, e.g. CAD, as well as other related documentation, equipment, material or other production material, which were provided to the Supplier by Webasto or Webasto's Customer, partially or completely paid or to be amortized by Webasto or by Webasto's customer as well as any and all replacements, additions, attachments, accessories and maintenance shall be and remain or become property of Webasto or its Customer (together "**Provided Property**"), unless agreed otherwise, and shall be let to the Supplier only on a loan basis.

- 16.2 The Supplier may use the Provided Property for delivery to third parties only with prior written consent by Webasto. The Supplier may use the Provided Property solely for the production of Delivery Items under a delivery agreement with Webasto and may not use it for any other purpose or permit others to use it.
- 16.3 Provided Property is to be clearly marked as the property of Webasto or its customers and kept safe and separate from the property of the Supplier and/or third parties. The Supplier shall at the Supplier's own cost maintain the Provided Property in good condition and replace it if necessary. The Supplier assumes the risk for Provided Property as long as it is in his custody or under his control. The Supplier shall at the Supplier's cost insure the Provided Property to an amount equal to the replacement costs in the event of loss which would have to be paid to Webasto or its Customer. The Supplier hereby assigns all claims for payment against the insurer to Webasto, and Webasto accepts this assignment. The Supplier shall handle the Provided Property carefully and without risk, and shall indemnify Webasto with respect to any claims, liability, costs and damages arising out of the installation, use, storage or repair of the Provided Property, or in connection therewith, to the extent that the Supplier is responsible for this. Webasto or its customer shall be entitled to enter the premises of the Supplier during normal business hours and to check the Provided Property and the related records.
- 16.4 Webasto shall have the unconditional right to remove the Provided Property from the Supplier's business premises or request its surrender at any time and without any reason and without any payment. Upon such request by Webasto, the Supplier shall immediately surrender the Provided Property and prepare it for shipping or deliver it to Webasto or its Customer. Webasto shall reimburse the Supplier for reasonable delivery costs. The Supplier shall have no right of retention with respect to Provided Property, neither from outstanding payment demands nor for any other reason.
- 16.5 Supplier affirmatively waives any lien, whether based in statute or common law, that Supplier might otherwise have on any Delivery Items or Provided Property for any work done on the Delivery Items or Provided Property or for any other reason. Supplier assigns to Webasto any claims Supplier has against any third party relating to any Provided Property. If the Provided Property is in the possession of any third party, including any sub-supplier or service provider such as a repair shop, Supplier's obligation to cooperate with Webasto's removal of the Provided Property or to surrender the Provided Property under this Section **Fehler! Verweisquelle konnte nicht gefunden werden.**6 includes an obligation to secure the Provided Property's release by the third party. Supplier's obligation to secure the Provided Property's release includes the immediate payment of any claims made by the third party and the immediate payment of any amounts necessary to remove any lien asserted by the third party for any reason. In other words, Supplier agrees to immediately take all steps necessary to place the Provided Property in Webasto's possession, including the payment of any amount.

## 17. Delivery of spare parts

For Delivery Items which will be incorporated into products for vehicles and/or a different customer product, the Supplier shall ensure satisfaction of Webasto's spare parts requirements during series production and fifteen (15) years after the end of the series delivery. Webasto shall inform the Supplier, upon request, of the end date of serial delivery. During the existence of the delivery contract, the price shall be the respective valid production price as set forth in the delivery contract, and during at least the first four years of the 15-year period, the price shall be the price as valid at the end of the serial production plus additional costs for packaging and processing which are to be agreed. If requested by Webasto, the Supplier shall provide servicing literature and other materials at no extra cost in order to support the spare parts sales activities of Webasto.

## 18. Secrecy

The Parties undertake to treat as business secret and confidential any and all non-obvious commercial and technical details, information and/or data, in no matter what form, of which they obtain knowledge by reason of the business relationships, especially models, templates, matrices, samples, measuring instruments, devices, molds and software, e.g. CAD, source code, specifications, especially drawings, confidential details and construction data and similar objects (together "**Confidential Information**") shall not be let or otherwise made available to unauthorized third parties. The reproduction of any such Confidential Information shall only be permitted within the scope of operational requirements and within the scope of copyright law. Authorized third parties, sub-suppliers, proxies and co-workers shall be bound accordingly. The Supplier may only use the business relationship for advertising purposes with prior written consent of Webasto.

## 19. Retention of Title

Unless otherwise agreed, title to the delivered Delivery Items and parts shall be transferred proportionally to Webasto in accordance with their manufacture by the Supplier and their proportional payment by Webasto and otherwise with full payment. Any prolonged or extended reservation of title by the Supplier shall be excluded.



## 20. Tools of the Supplier

- 20.1 The Supplier grants Webasto the irrevocable option to acquire possession of and title to any tools which are necessary for, and specific to, the production of the Delivery Items (“**Necessary Tools**”), against payment of the present value of the Necessary Tools, after deduction of any amounts already paid to the Supplier by Webasto or amortized via the purchase price of the Delivery Items. Such option shall not exist where the Supplier needs the Necessary Tools in order to manufacture the Supplier’s other standard products.
- 20.2 The Supplier shall provide Webasto with any technical information required by Webasto in order to install, assemble or otherwise use the Necessary Tools. Technical Information shall include design drawings, component drawings and installation drawings, and other technical documentation, test logs and results, data, software or any other information relating to Delivery Items and tools. Subject to the Supplier’s patent and Proprietary Rights, technical information may be used and published by Webasto without any limitation. Design or production information, which is subject to any intellectual property right of the Supplier, may be used by Webasto only for Webasto’s own purposes.

## 21. Offset clause

Webasto shall be entitled to offset any claim, whether due or not due, present or future, which Webasto SE or any company, in which Webasto SE indirectly or directly holds an interest of minimum 50%, may have against the Supplier, or to offset against any such claim that the Supplier may have against one of these companies. Upon request, the Supplier shall be furnished with information regarding existing interest in companies.

## 22. Ending the Contract

- 22.1 Webasto shall have the right to terminate delivery contracts or any part thereof at any time and without giving any reason by means of a written declaration with a reasonable period of time (usually thirty (30) days). If Webasto’s customer terminates its order with Webasto for any reason, Webasto may terminate all or any part of a Delivery Contract or any part thereof by giving written notice to Supplier. A notice period of 30 days or of any other length is not required—the termination may be immediate. The Parties shall then negotiate a reasonable compensation with the aim to reimburse the series price for all finished Delivery Items minus expenses saved and the direct costs of work in process and raw materials incurred by the Supplier, which the Supplier has produced or ordered in accordance with a binding release. Both Parties shall minimize the costs of this, e.g. by using the materials for other purposes.
- 22.2 In the event of a violation of any substantial contractual obligation by the other Party which, despite a written warning, is not discontinued within a reasonable period of time, the respective other Party shall be entitled to terminate the delivery contract without notice for substantial cause or to cancel the delivery contract in whole or in part.
- 22.3 For Webasto substantial cause exists, if (a) the Supplier causes immediately successive, considerable missed deadlines, (b) the Supplier repeatedly violates Webasto’s quality specifications, (c) a petition in bankruptcy is filed (by the Supplier or by a third party, provided that the petition is not filed in abuse of rights) against the Supplier’s assets or a bankruptcy proceeding is commenced, even if it is dismissed for lack of assets, (d) reasons for the opening of insolvency proceedings or a similar procedure on the assets of the Supplier exist or compulsory collection procedure have been instituted against the Supplier’s total assets or a substantial part of his assets, (e) a material change in the ownership structure or the shareholders participation in the Supplier’s company occurs, due to which Webasto cannot reasonably be expected to continue the delivery agreement, (f) Webasto’s Customer has terminated the delivery contract for the products in which the Delivery Items are incorporated and (g) the Supplier’s financial situation deteriorates significantly and thus jeopardizes the stability of the supply or if the Supplier stops making payments. The Supplier shall undertake - except for the case mentioned in Clause 22.3 f -- to notify Webasto immediately in writing of the occurrence of one of the events mentioned here.
- 22.4 If the delivery contract is terminated, the Supplier shall, upon Webasto’s initial request, turn over to Webasto without delay and at the Supplier’s own expense Provided Property as well as all Confidential Information, including copies of it, or destroy these at Webasto’s request and confirm this in writing to Webasto. Moreover, if the delivery contract is terminated, Webasto also shall have the right to pass on to third parties all information from the terminated business relationship, which the third parties urgently need to produce Webasto’s delivery volumes or items named in this delivery contract, insofar as the corresponding information is not protected by industrial property rights. Agreed provisions on the handling of deliverables remain unaffected and are still valid after the termination of the delivery contract.
- 22.5 Post-termination obligations and claims for the United States:
- 22.5.1 Once it receives notice of termination, Supplier, unless otherwise directed in writing by Webasto, must (1) immediately terminate all work under the Delivery Contract; (2) transfer title and deliver to Webasto the usable and merchantable finished goods, work in process, and raw materials and components that Supplier produced or acquired in accordance with firm release amounts under

the Delivery Contract and that Supplier cannot use in producing goods for itself or for others; (3) settle all claims by subcontractors approved by Webasto on the face of a Delivery Contract or in a signed writing, if any, for reasonable actual costs that are rendered unrecoverable by such termination; (4) take actions reasonably necessary to protect all property in Supplier's possession in which Webasto has an interest; and (5) at Webasto's request, cooperate with Webasto in re-sourcing the goods covered by the Delivery Contract to an alternative supplier designated by Webasto.

22.5.2 If the termination is for convenience or for change in control, Webasto will pay to Supplier the following amounts without duplication: (1) the Delivery Contract price for all finished and completed goods that conform to the requirements of the Delivery Contract and were not previously paid for; (2) Supplier's reasonable actual cost of the usable and merchantable work in process and raw materials and components transferred to Webasto in accordance with Section 0; (3) Supplier's reasonable actual cost of settling claims for Supplier's obligations (in the absence of termination) to the subcontractors so long as those costs were approved by Webasto on the face of a Delivery Contract or in a signed writing; and (4) Seller's reasonable actual costs of carrying out its obligations to Webasto under this Section.

22.5.3 If the termination is for cause or Supplier Insolvency, Supplier is not entitled to any further payments by Webasto.

22.5.4 Except as expressly set forth in this Section **Fehler! Verweisquelle konnte nicht gefunden werden.**, Webasto is not be liable for and is not required to make payments to Supplier, directly or on account of claims by Supplier's subcontractors, for any alleged losses or costs, including loss of anticipated profit, unabsorbed overhead, interest on claims, product-development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, ancillary exit charges (including costs of riggers, warehousing, premium manufacturing costs, loading of trucks, or other standard business procedures related to transitioning production to an alternative supplier), obsolescence costs, or general and administrative burden charges resulting from termination of the delivery contract or otherwise. Notwithstanding anything to the contrary, Webasto's obligation to Supplier upon termination will not exceed the obligation Webasto would have had to Supplier in the absence of termination

22.5.5 Within 30 days after the effective date of termination for convenience or for change in control, Supplier must furnish to Webasto its termination claim, together with all supporting data (which will consist exclusively of the items of Webasto's obligation to Supplier that are listed in Section 0). Webasto may audit Supplier's records before or after payment to verify amounts requested in Supplier's termination claim

22.6 The Stipulations in Clauses 10 to 14, 17, 18, 22 to 24 shall remain valid after the termination of the delivery contract.

22.7 Supplier has no right to terminate the Delivery Contract.

### **23. Compliance, social responsibility, sustainability**

23.1 The Supplier shall undertake to comply with currently applicable laws and not to commit any actions or to refrain from actions that lead to criminal offense, especially due to fraud or infidelity, insolvency offenses, offenses against competition, including import and export control, benefit granting, accepting of benefits, bribery, corruption or other corruptibility or similar offenses by persons employed by the Supplier or other third parties. In the case of an infringement, Webasto shall have the right to rescind or terminate the delivery contract without notice and the right to terminate any negotiations concerning it. Regardless of the prior, the Supplier shall be obliged to comply completely with all laws and regulations concerning him and the business relationship with Webasto, and especially concerning data protection.

23.2 For Webasto, it is also of great importance that entrepreneurial activities take into account the social responsibility of the employees as well as the rest of society. This applies both to Webasto and to its suppliers. Thus, the Supplier undertakes to comply with the following Standards:

a) **Freedom of association, wages and benefits, working hours:** The basic right of all employees, to form trade unions and employee representations and to join them shall be recognized. Where this right is limited by local laws, alternative, compliant possibilities for employee representation should be encouraged and/or not hindered. Equality of opportunity and equality of treatment, irrespective of ethnic origin, color, sex, religion, nationality, sexual orientation, social origin or political attitude, insofar as it is based on democratic principles and tolerance against other considerations, shall be guaranteed. Employees shall be selected, recruited and promoted on the basis of their qualifications and abilities. Compensation and social benefits are to be guaranteed according to the basic principles of minimum wages, overtime and social benefits prescribed by law. Working hours must comply with applicable laws, industry standards or relevant

ILO conventions. Overtime should only be provided voluntarily, and at least one free day must be given to the employees after six (6) consecutive working days. In addition, Webasto disclaims any knowledge of the use of compulsory labor, including bonded labor, or forced labor by prisoners.

- b) **Prevention of child labor:** The Supplier guarantees for his company that the production or processing of the Delivery Items to be delivered is or has been carried out without exploitative child labor within the meaning of ILO Convention No. 182, as well as without violations of obligations resulting from the implementation of this Convention or from other applicable national or international rules to combat exploitative child labor. Furthermore, the Supplier ensures that his company and its suppliers have taken active and effective measures to exclude exploitative child labor within the meaning of ILO Convention No. 182 in the manufacture or processing of the delivered goods. The Supplier shall obligate his subcontractors accordingly, and the subcontractors shall undertake to oblige their subcontractors accordingly and carry out control measures in this regard. Webasto shall review the content of this assurance and the Supplier shall provide proof of its actions upon request from Webasto.
- c) **Free choice of employment:** The Supplier shall not employ anyone against his will or force him to work. Employees must be free to terminate the employment relationship with due notice. Employees must not be required to provide their identity card, passport or work permit as a precondition for employment.
- d) **Health and safety:** As an employer, the Supplier guarantees the safety and health of the workplace within the framework of national regulations and supports a continuous development for the improvement of the working environment.
- e) **General environmental responsibility, environmentally friendly production and products:** Webasto is committed to environmental protection that addresses the root causes, assesses the impact of production processes and products on the environment in advance, and incorporates them into business decisions. At the same time, production processes and products are holistically designed to conserve resources as much as possible and to be as environmentally compatible as possible. The Supplier shall use, as far as environmental protection is concerned, the precautionary principle, take initiatives to promote more environmental responsibility and promote the development and diffusion of environmentally friendly technologies. The Supplier shall guarantee a high degree of environmental protection in all production phases. This includes a proactive approach to avoid or minimize the impact of accidents that can have a negative impact on the environment. The application and further development of water and energy saving technologies – characterized by the use of strategies for reducing emissions, reuse and reprocessing – is particularly important.
- f) **Other product-related environmental standards:** All products manufactured along the supply chain must meet the environmental protection standards of their respective market segments. This includes all materials and substances used in production. Chemicals and other substances that are hazardous when released into the environment must be identified. A hazard management system shall be set up for them to be handled, transported, stored, recycled or reused and disposed of safely by suitable procedures. The Suppliers of production materials are obligated to introduce a certified environmental management system according to ISO 14001, EMAS or similar standards, at the latest two years after the conclusion of the delivery contract, to uphold it during the entire duration of the business relationship with Webasto and to submit a corresponding certificate. A renewed certificate shall be presented to Webasto in time before the current one expires.

Furthermore, the supplier undertakes: for Delivery Items a) in the form of moving parts (i. e. at least one (1) part moves (e.g. pneumatic cylinders, electric motor), which do not represent a machine or plant, a manufacturer's declaration according to the respective legal basis must be provided, b) in the form of machines and plants for production (e.g. turning machine, assembly plant, automatic packaging machine, test bench) a CE declaration of conformity according to the respective legal basis must be provided, c) which represent a hazardous substance, to provide a safety data sheet in German in accordance with the respective legal basis, d) in the form of materials made of ceramic fibers and/or glass fibers, or which contain them, to provide a safety data sheet in German in accordance with the respective legal basis. In addition, the Supplier undertakes to observe the relevant standards, laws and other regulations applicable to the goods in the country of purchase and manufacturer, such as VDE regulations for electrical parts, the European end-of-life vehicle directive and the European dangerous goods ordinance. The supplier shall indemnify Webasto against all public and private claims arising from a violation of these regulations. The supplier must provide or supply all necessary test certificates and evidence as agreed.

Furthermore, Webasto expects its suppliers, within the framework of their due diligence, to avoid any minerals originating from conflicted smelting. Minerals are classified as conflicted when direct or indirect support is given to non-governmental armed groups through their extraction, transportation, trade, handling / processing or export. Information on the melts or refineries used by the Supplier or subcontractor for minerals, e.g. tin, tantalum, tungsten and gold, must be transmitted to Webasto at

Webasto's request. Webasto also urges its suppliers to meet their due diligence along the supply chain. This includes the implementation of measures to ensure that the minerals used by the Supplier, in particular tantalum, tin, tungsten and gold, do not contribute to the direct or indirect promotion or support of armed conflicts.

- g) **Promotion of standards in the supply chain:** The Supplier shall pass on the contents of the sustainability standards listed in Clause 23.2 a) to e) to his suppliers, obligate them accordingly and check compliance with the sustainability standards in the supply chain.

23.3 Webasto reserves the right to check for compliance with the requirements, as set out in Clause 23.2, at the Supplier's location only with prior notice and in the presence of representatives of the Supplier, at regular business hours and in accordance with applicable law, in particular data protection. Prior to conducting an audit, the Parties conclude an appropriate non-disclosure agreement that complies with the Webasto standard and mutually approve an appropriate content and scope of the audit as well as its timing. Webasto shall ensure that any Webasto experts involved in carrying out the audit will also conclude an appropriate non-disclosure agreement with Webasto. In the context of the audit, no insight into personnel records, employee contracts, billing documents or salary documents, social insurance documents or comparable documents of this type will be taken, insofar as the entity to be audited at the Supplier (company, plant, etc.) assures in writing that, to the best of their knowledge, no circumstances are known in which local laws are being violated. If the Supplier agrees to an appropriate insight, it shall always be taken anonymously, taking into account the respective applicable data protection laws. The details of the inspection shall be agreed by the Parties beforehand. Any audit that may be carried out will, apart from that, be limited to the examination of systems and processes for the prevention, detection and suppression of possible violations, unless the Parties agree otherwise in individual cases. At the time of the audit, photographs and / or copies are not produced at any time, unless the Supplier grants his prior consent. In the case of obvious and serious breaches, however, the Supplier will not refuse his consent without substantial cause.

## 24. General Provisions

24.1 Irrespective of Clause 11.5, the Supplier is entitled to withholding rights only if his counterclaims have been legally established, are undisputed or have been acknowledged by Webasto. Moreover, the Supplier may only exercise withholding rights insofar as his counterclaims rest on the same legal relationship.

24.2 Place of performance shall be the plant or Webasto location where the products are to be delivered according to contract.

24.3 Unless explicitly agreed otherwise, the Delivery Contract, including these Webasto General Terms and Conditions shall be subject to the law of the state (or country) where the Webasto entity placing the order has its seat of business. The provisions of the United Nations Conventions on Contracts for the International Sale of Goods (CISG) and the conflict of law provisions of private international law shall be explicitly excluded. Webasto and the Supplier shall submit to the exclusive jurisdiction of the courts at the seat of business of the Webasto entity placing the order for any disputes arising in connection with a delivery agreement. Furthermore, Webasto shall be entitled to take legal action against the Supplier also at the courts competent for the Supplier's place of business.

24.4 Supplier warrants to Webasto as of the date of each order, and repeats on the date of each release or delivery, that: (1) it is not insolvent and is paying all debts as they become due; (2) it is in compliance with all loan covenants and other obligations, not to exceed quantities in firm production releases; and (3) all financial information provided by Supplier to Webasto concerning Supplier is true and accurate. At Webasto's request, Supplier will provide copies of its quarterly or annual financial statements to Webasto, Supplier will permit Webasto and its representatives to review Supplier's books and records concerning compliance with each order and Supplier's overall financial condition, and Supplier will provide Webasto with full and complete access to all books and records for that purpose. If Supplier experiences any delivery or operational problems, Webasto may, but is not required to, designate a representative to be present in Supplier's facility to observe Supplier's operations. If Webasto provides to Supplier any accommodations (including financial or providing designated representatives as set forth above) that are necessary for Supplier to fulfill its obligations under any order, Supplier will reimburse Webasto for all costs, including attorney's and other professional fees, incurred by Webasto in connection with the accommodation, and will grant a right of access to Webasto to use Supplier's premises, machinery, equipment, and other property necessary for the production of Delivery Items (and a lien to secure the access right) under an access-and-security agreement. Additionally, Supplier must provide prompt written notice to Webasto of any impending or threatened insolvency of the Supplier.

24.4 Should any provision of these Webasto General Terms and Conditions or further agreements made be or become invalid, the validity of these terms of purchase or the further agreements made shall remain unaffected. The Parties are obligated to replace the ineffective provision with a regulation which matches as closely as possible in its economic success. The same applies in the case of a contractual gap.