

General Purchase Conditions of AVL DiTEST GmbH

Edition January 2012

If not otherwise expressly agreed upon in writing, the following conditions shall apply to the contractual relationship. Upon execution of the purchase order (first delivery), these **General Purchase Conditions** shall be deemed to be recognized, and the supplier shall also recognize these conditions as legally binding for all subsequent deliveries. Deviating or supplementary conditions of the supplier shall only be applicable if they are expressly recognized in writing by us.

1. Purchase Order

1.1 Purchase orders and amendments thereof shall only be valid if they have been made or confirmed by us in writing.

1.2 The transfer of our purchase orders in full or for the most part may only be done with our written consent. A violation of this provision entitles us to revoke a purchase order without substitution. Claims going beyond this shall remain unaffected.

1.3 The assignment of claims as well as the transfer of the collection of claims against us to third parties are excluded and also entitle us to revoke a purchase order without substitution. Claims going beyond this shall remain untouched.

1.4 If the supplier discontinues his payments or if the supplier or one of its creditors files a petition of insolvency on supplier's assets, we shall be entitled to withdraw from the contract or to terminate the contract with immediate effect notwithstanding other rights. The supplier has to inform us immediately about such circumstances.

2. Delivery

2.1 The stated dates of delivery are binding and correspond to the time the goods must be received at the named place of destination, or otherwise at our premises. If compliance with the date of delivery is at risk, the supplier is obliged to immediately notify us in writing.

2.2 Even if we accept a postponement of the date of delivery, we expressly reserve the right to charge a penalty amounting to 1 % for each new week of delay (starting with the Monday following the week of delivery) but no more than 5 % of the total contract value. Furthermore, if the supplier is responsible for exceeding the time of delivery, the supplier is obliged to use the fastest means of transportation available notwithstanding the mode of shipment prescribed in the purchase order in order to minimize the delay. The costs and expenses for this transport shall be borne by the supplier.

2.3 In case of a delay in delivery for which the supplier is responsible, we shall be entitled to withdraw from the contract after the expiry of 14 days with immediate effect without having to grant a grace period. If a fixed date has been agreed upon, the contract shall be cancelled as soon as this date is exceeded unless we demand the fulfilment of the contract within 14 days.

2.4 Partial deliveries and advance deliveries require our written consent, except for deliveries of up to 7 workdays prior to the date agreed upon. In these cases, the time for payment shall only start at the date contractually agreed upon.

2.5 If not otherwise expressly agreed upon, the deliveries shall be done DDP (Incoterms 2010) to the named place of destination. Packaging shall be chosen by observing the relevant packaging standards and by ensuring that delivery free of damages and efficient AVL DiTEST GmbH internal manipulation are guaranteed.

2.6 We will inspect incoming goods within 60 days. In this respect the supplier waives the objection of a belated notification of defects. Our payment does not imply an acceptance of the goods without reservation.

2.7 As for hidden defects, which cannot be detected at acceptance or receipt, the warranty period shall not commence until such defects are identified.

2.8 In the case that we agree to a special release for delivery to be given by us, we shall be entitled to extend the time for delivery by up to 90 days. In this case, the supplier is obliged to preserve the goods free of charge and carefully until we agree to the release for delivery.

3. Compliance - Quality – Documentation

3.1 The goods to be delivered shall correspond to the currently applicable domestic and foreign regulations (including but not limited to the accident prevention and environment regulations, the relevant decrees and guidelines of the ÖVE/VDE Regulations, the REACH Regulation [EC] No. 1907/2006), the acknowledged state-of-the-art rules and standards and shall strictly correspond to the documents that are the basis of the purchase order, such as drawings, descriptions, samples, specifications, acceptance conditions, etc.

3.2 The supplier is obliged to comply with all laws and regulations of the applicable jurisdictions. The supplier shall in particular not engage, either actively or passively, either directly or indirectly, in any kind of bribery or illicit payments, any violations of the human rights of its employees nor any use of child labour.

3.3 Suppliers to whom the "Packaging Decree" applies are obliged to notify the "ARA" ("Altstoff Recycling Austria" – "Waste Material Recycling Austria") of their Waste Disposal License Number or to inform us how they are going to dispose of the delivered packaging material. In the absence of such information, we shall feel obliged to return the packaging unpaid or to charge the respective supplier with the costs for disposal.

3.4 Suppliers with a domicile in the EU are obliged to provide us with the original of the supplier's (long-term) declaration for products having preferential status in accordance with Regulation (EC) No. 1207/2001 in the then current version within one calendar week after our corresponding request. If the supplier does not comply with this obligation or if the supplier's declaration does not comply with the legal requirements the supplier shall indemnify us and hold us harmless against any liability resulting from such non-compliance and shall fully relieve us from the liability for all loss, expense, damages or claims.

3.5 The supplier has to establish a quality management system according to the requirements of the ISO 9001 standard, to perform a quality inspection suitable in its kind and scope and corresponding to the state-of-art, as well as to develop in the direction of a zero-defect philosophy.

3.6 AVL DiTEST GmbH is certified according to ISO 14001 and ISO 9001, ISO 27001. The QES documents to be observed by suppliers, including the current list of ingredients and substances ("AVL DiTEST Restricted Substances List") that may not be delivered to the company or may only be delivered with some reservations, are listed on the Internet site of www.avl.com under Company -> Quality, Environment and Safety. If products delivered by a supplier contain one of the above-mentioned substances, the supplier has to contact the responsible buyer, informing him about the substances concerned in every case.

3.7 Without being explicitly ordered the supplier shall provide us with complete maintenance, operating and service instructions in electronic form and/or as hard copies for devices and instruments, parts of the plants or plants, at no additional cost.

3.8 Within the supplier's warning duty acc. to § 1168 a ABGB (Allgemeines Bürgerliches Gesetzbuch – General Civil Code), the supplier shall in particular comprehensively inform the responsible representative of our Purchasing Department, who is named on the corresponding purchase order, in time and in writing.

4. Prices and Payment

4.1 The prices stated in the purchase order are fixed prices and therefore unchangeable until the full scope of supply and service have been fulfilled, unless other agreements have been made in writing.

4.2 Unless other agreements have been made in writing, the payment shall be made after the goods have been received in conformity with the contract and after the correct and verifiable

invoice has been received. Payments will be made net after 90 days at month's end on the 10th day of the following month.

4.3 In case of a defect requiring warranties, we shall be entitled to postpone the payment until the defects have been properly remedied.

5. Warranty

5.1 For all deliveries and services, the supplier assumes full warranty for a period of 24 months. Defects occurring during this period shall be immediately remedied by the supplier at supplier's own costs and expenses upon request. All costs relating to the diagnosis and removal of such defects, even if they are incurred by us at our place of business, e.g. inspection, transport, disassembly and (re-)installation cost, shall be borne by the supplier. The warranty period shall be delayed for the duration of the remedy work until the defects have been successfully remedied. A warranty period of 24 months following replacement or repair shall be applicable again for parts replaced or repaired within the supplier's warranty obligation. The place of performance relating to the remedy of defects within the warranty obligation is at our option. Legal regulations going beyond this shall remain unaffected.

5.2 In cases in which the supplier fails to appropriately fulfil his warranty obligation upon request within an appropriate time as well as in other particularly urgent cases, we shall be entitled ipso jure to remedy the defects ourselves at the supplier's costs and expenses or have this done by a third party or, if this is not possible, to seek substitute goods or services otherwise.

5.3 We reserve the right to immediately cancel the contract or to request a price reduction instead of the removal of defects and replacement. The supplier is responsible for any damages incurred by us because of defective deliveries.

5.4 In the event that we as the producer of the final product become liable for damages caused by defects of the raw material or a partial product delivered by the supplier, the supplier shall indemnify us and hold us harmless against any such liability and shall fully relieve us from the liability for all loss, expense, damages or claims, no matter if the supplier is at fault or not.

6. Spare Parts

6.1 In cooperation with AVL DiTEST the supplier shall create spare part lists for the respective projects including price and delivery time. The supplier guarantees the commercial availability of all spare parts included in the lists for a period of ten years starting from delivery. In case that a spare part is not available within this period, the supplier shall deliver an equivalent technical solution to AVL. It is of essence that the delivery time primarily agreed on shall not be extended.

7. Means of Production and Preliminary Material

7.1 The supplier shall handle with utmost care any means of production which we have provided and keep them at our disposal for 10 years from the last day of production. Upon our request the supplier shall return them to us immediately.

7.2 Means of production that have been manufactured or purchased by the supplier and for which we have paid manufacturing cost (tooling cost) shall be owned by us from the moment of manufacture or purchase. If the supplier is not in the position to keep the means of production at our disposal for 10 years in a state ready for use, the supplier is obliged to inform us in writing and to deliver us the means of production upon request.

7.3 In case of damage, loss or destruction of raw material supplied by us (semi-finished products, castings, pre-processed parts, etc.), the supplier shall reimburse us for the cost of replacement cost.

8. Confidentiality

8.1 All drawings, calculations and the like submitted for making quotations or executing purchase orders shall remain our property and shall be returned to us along with the quotation or after the execution of the purchase order. These documents must neither be duplicated nor made accessible to third parties without our written consent.

8.2 The supplier is obliged to treat the purchase order and the resulting work as well as all the pertinent technical and commercial documents and equipment as business secret and to keep

them strictly confidential. If we agreed to subcontract parts of work under the purchase order in question, the supplier shall correspondingly oblige his subcontractors.

9. Intellectual Property Rights of Third Parties

9.1 All results developed by the supplier shall become our exclusive and unrestricted property and shall be communicated and made available to us without delay. This shall also apply to inventions and/or shares in the invention made by the supplier. The supplier shall assign all rights in such inventions and/or shares in the invention to us without reservation. Should we waive our rights in inventions and/or shares in the invention completely or in part, the supplier shall not have the right to assert rights in such inventions and/or shares in the invention (e.g. using them for its own, applying for industrial property rights, granting of licenses to third parties, etc.). Any inventions and/or shares in the invention shall be deemed compensated with the price acc. to Section 4.1.

9.2 The supplier grants us the unlimited, royalty free, exclusive right to use all copyrights that can be allocated to the supplier in connection with the order on a permanent basis.

9.3 The supplier is obliged to make deliveries or to provide services free of intellectual property rights of third parties. The supplier guarantees that intellectual property rights of third parties are particularly not infringed in the course of the execution of the contract and the use of the object of the delivery or service. The supplier shall indemnify us and hold us harmless against any claims made by third parties because of infringement of intellectual property rights.

10. General Terms and Conditions

10.1 For the elaboration of quotations, layouts, cost estimates, etc., no remuneration shall be granted.

10.2 The supplier may mention the business relations with us in his advertising activities only with our explicit written consent.

10.3 This contractual relationship is subject to Austrian law, any other law that might be applicable on the basis of the Austrian "International Private Law" is explicitly excluded.

10.4 If individual clauses of these General Purchase Conditions are invalid, this fact shall have no effect on the validity of the remaining clauses.

10.5 The place of performance for the delivery shall be the place of destination named by us. The place of performance for the payment and the place of exclusive jurisdiction shall be Graz unless something else has been agreed upon in writing.

10.6 The legally binding acceptance of re-export restrictions resulting from technology transfer is limited to such goods which demonstrably require an export license in the country of delivery (for the US, the currently applicable version of the Export Administration Regulation of the US Department of Commerce shall be applicable), which additionally are correspondingly identified in the delivery papers, and for which the supplier