

# General Work Agreement

## 1. General

The following conditions are a component of our contracts. In principle, the below-mentioned contractual terms and conditions are supposed to apply to all individual orders between the Client and the Contractor. To the extent that this is required, modifications and expansions of these contractual terms and conditions must be separately regulated on the respective individual orders. The General Purchasing Terms and Conditions of the Client shall apply upon a supplemental basis to this framework agreement. The General Terms and Conditions of the Contractor shall not apply even if they are used or made reference to in documents and on order confirmations under this framework agreement.

## 2. Object of the work and services

The Contractor shall undertake planning, documentation, development and construction orders for the Client. The object, extent and time of the work and services shall be determined separately, in writing, between the Client and Contractor before the start of an order.

## 3. Place of performance

The place of performance shall depend on the respective order.

## 4. Order realisation

The Client shall provide the necessary technical, company-specific and other information and guidelines. The responsibility for realisation and success of the order shall lie with the Contractor.

## 5. Right of instruction

The Contractor shall have the exclusive right of instruction, guidance and supervision of its employees, even if the order is to be realised on the Client's or a third party's premises. The Client's right to issue instructions for orders relating to the realisation instructions remains unaffected hereby.

## 6. Progress of work and services

The progress of work and services shall be confirmed by the Client by signing the project progress reports submitted to it. After completion of the order, an inspection report shall be signed by the Client and Contractor. This shall also be the case for completed partial work.

## 7. Pricing

Prices can be agreed as binding fixed prices, as guide prices, according to hours worked or in terms of dimension. All prices are subject to statutory value added tax. Billing for orders shall be according to the progress of work and services in partial amounts to be agreed separately.

## 8. Terms of payment

Unless otherwise agreed, payment shall be made within thirty (30) days net. The term of payment shall commence upon the Client's acceptance of the delivery or service and receipt of the duly issued invoice. Payment is made with the proviso of verification of the invoice.

## 9. The Contractor's costs and expenditure

Insofar as the Contractor undertakes the agreed work on its own premises, it shall also meet the costs incurred. They shall not be settled separately by the Client. Should the work be undertaken on the Client's or a third party's premises, the Client shall provide the necessary space and materials for the Contractor for a charge.

## 10. Liability for material defects

The Contractor's liability for material defects shall be based on the statutory requirements.

## 11. Liability, third party indemnity

The Contractor shall be fully liable to the client for damage incurred by the Client within the framework of the work and services. The Contractor shall cover its third party indemnity risk by concluding third party indemnity insurance for personal, material and pecuniary damage to a reasonable amount.

## 12. Results of work

All documents provided by the Client to the Contractor for the purposes of order realisation and all results of work created during realisation of the order by the Contractor or its employees shall be the exclusive and unrestricted property of the Client.

## 13. Suggestions for improvement, inventions, copyright by the Contractor

Insofar as inventions and suggestions for improvement are made and copyright is justified through the Contractor's work, these shall be the property of the Client and shall be transferred to the client for its exclusive benefit and use. All transferred inventions, suggestions for improvement and copyrights are settled by the remuneration agreed in the respective orders.

## 14. Suggestions for improvement, inventions by the employees of the Contractor

For any employee inventions or suggestions for improvement made by the Contractor's employees, within the framework of the Contractor's work on individual orders, the Contractor shall, upon request by the Client, assert claims to the invention with or without reservation and then transfer the resulting rights incrementally to the Client in return for release of any financial obligations towards its employees. The Contractor is furthermore obliged not to exercise its option to declassify the employee invention according to § 6 (2) Employee Invention Act. The Employee Invention Act shall apply accordingly.

## 15. Return of documents

All documents provided to the Contractor within the framework of its work and services must be returned to the Client immediately upon completion of the order. The Contractor does not reserve the right to withhold.

## 16. Confidentiality

The Contractor shall maintain confidentiality in respect of all the Client's or third party's business matters and the

corresponding confidentiality of its employees. This shall also apply after the termination of the contract. In the case of a breach of the obligation to confidentiality, a contractual penalty of EUR 2,500 but not exceeding 5% of the order value of the relevant individual contract shall immediately become payable. The assertion of any additional claim for compensation remains reserved. The paid contractual penalty, however, shall be deducted therefrom.

## 17. Poaching

The poaching of employees is excluded for both parties.

## 18. Contractor's relationship to third parties

The Contractor reserves the right to work for another client. There is no requirement for prior consent from the Client unless the Contractor also wants to work for a competitor of the Client.

## 19. Duty to inform

The Contractor shall immediately inform the Client if it does not employ insured people in conjunction with the work, except for family members, regularly and mainly only works for the client and is not represented in the market, including the associated chances and risks, based on its corporate activity.

## 20. Contractual term and termination

This Agreement shall enter into force by signing and shall remain in full force for an indeterminate period of time. The contractual relationship can be terminated with 15 days' notice to the month's end. Termination for good reason is possible at any time. Any individual orders that are still being executed at the time termination is made shall be completed in accordance with the provisions of the individual agreement and this general agreement. In case of premature termination of any individual order all services effectively carried out by the Contractor until termination will be paid. The Contractor is not entitled to any further compensation.

## 21. Written form

Amendments to and supplements of this agreement as well as the termination of the contractual relationship shall be made in writing. This shall also apply to the requirement of written form itself.

## 22. Place of performance and jurisdiction

Place of performance and jurisdiction is Gummersbach. The contract is subject to the laws of the Federal Republic of Germany, excluding the rules of private international law.

## 23. Exculpatory clause

Should a provision of this contract be or become invalid or impracticable, this shall not affect the validity of the remaining provisions. In this case, the Contractor and Client shall replace the invalid or impracticable provision with one which corresponds to the spirit and purpose of the provision being replaced as much as possible.

Should there already be a FERCHAU Automotive General Work Agreement between the contractual parties, to which previous conditions applied, the above shall replace the previously existing General Work Agreement.

Place, Date

Client

Place, Date

Contractor (company stamp and signature)