

Framework Procurement Contract

between

[Designation POLYTEC company]
[Address]

acting here not only in its own name, but also on behalf
and in representation of the companies of the POLYTEC GROUP as listed in **Annex 1**

– hereinafter referred to as POLYTEC –

and

[Supplier]
[Address]

– hereinafter referred to as SUPPLIER –

Preamble

This agreement regulates the partnership relationship, on the basis of which the future cooperation of both parties shall be carried out and the SUPPLIER shall provide services for POLYTEC in connection with various projects and deliveries. The SUPPLIER has knowledge of the fact that the parts delivered by it, insofar as it concerns serial production, will be further processed by POLYTEC and subsequently on the other hand will be installed or further processed by automobile manufacturers respectively other system suppliers. The distribution of the parts and components produced and/or assembled by POLYTEC is carried out worldwide.

The SUPPLIER shall prove by its signature that it is in the position to fulfil the quality generally presumed in the business segment, owed by law and agreed as per contract as well as the technical requirements. The SUPPLIER undertakes in this respect – insofar as required by POLYTEC – to submit suitable certificates and other proof.

§1 Contractual structure

- 1.1 This framework contract is a part of all individual contracts, concluded between the SUPPLIER and one of the companies of the POLYTEC GROUP named in Annex 1, and regulates the principle rights and obligations of the contractual parties of the individual contract. The conclusion of this framework contract alone shall accordingly not establish any obligations of the contractual partners yet. The rights and obligations shall exclusively arise towards those companies, which conclude the respective individual contract. For the purpose of clarification it is noted that no joint and several liability of the companies named in the Annex is established whatsoever through this framework contract.

- 1.2 The cooperation of the contractual parties on a partnership basis is based on several contractual documents that are to be applied. All annexes named herein shall form an integral part of this agreement. With instances of doubt or contradictory contents all contractual documents named herein – by a signature as an Annex to this agreement binding as well as those possibly agreed at a later time–shall apply in the following order, whereby the respective higher ranking document shall have precedence:
1. This framework agreement
 2. General Terms of Purchase of the POLYTEC Group of 1.8.2018 (Version 2.0)
 3. Quality Assurance Agreement
 4. General logistics agreement
 5. Agreements under individual contracts
 6. Call-off orders, offers, order confirmations
- 1.3 General Business Terms and Conditions of the SUPPLIER shall not apply by mutual agreement, not if reference is made hereto in further documents (e.g. order confirmation) either. If the contents of a possible order confirmation deviate from the offer the SUPPLIER has to communicate this actively and to inform POLYTEC.

§ 2 Object of contract

Both parties will agree upon the articles and goods that are to be delivered, their requirements, condition, quality and quantity after conclusion of this framework contract in separate documents (individual contract, order, requirement specifications, specifications).

§ 3 Spare parts

The SUPPLIER undertakes to supply POLYTEC with spare parts for a period of fifteen (15) years after termination of the serial delivery. The price for spare parts that is applicable in this case shall correspond with the last valid serial price. The SUPPLIER will agree upon the same contractual regulation in the relationship to its SUB-SUPPLIERS in order to ensure the delivery with spare parts.

§ 4 Contractual price and payment modalities

- 4.1 Both parties will mutually agree upon the price of the goods that are to be delivered including further price-influencing agreements (annual savings, discounts, etc.) after conclusion of this framework contract.
- 4.2 The parties shall make an effort within the scope of their cooperation, through a constant value analysis to demonstrate cost optimisations for the serial delivery and, in case of savings potentials, to agree upon a reduction of the serial price. Savings effects, which can be achieved within the scope of a joint value analysis, will additionally, if applicable, lead to agreed savings in the price of parts.
- 4.3 Original invoices are to be sent using electronic means or, if required, immediately after the delivery has been carried out. The duplicate must be clearly marked as such. Invoices, which are sent by fax or email, shall not be deemed as a triggering moment for the start of the term of the payment deadline.
- 4.4 Invoices have to cite the name and address of both parties, the order and delivery note number, the name of the orderer as well as the shipping method. The underlying receipts must be enclosed with service invoices.

- 4.5 Payments will, insofar as not otherwise agreed, be made within 45 days after receipt of the delivery and receipt of the original invoice with the deduction of 3% cash discount or 90 days net cash. The SUPPLIER is not entitled to offset its receivables against receivables of POLYTEC. Should POLYTEC change the group terms of payment at a later time, the contractual parties will mutually newly agree upon the terms of payment in an Annex.
- 4.6 Insofar as cash discount was agreed the time of receipt of the invoice or the receipt of the goods, depending on that which occurs later, shall be decisive.

§ 5 Contractual term

- 5.1 This framework contract can be terminated by each party ordinarily by adhering to a period of notice of six months to the end of the calendar month, insofar as not otherwise regulated in individual contracts. The respective, upheld individual agreements, call-off orders and contracts shall remain unaffected by the termination of this framework agreement.
- 5.2 The right to an extraordinary termination for good cause shall remain unaffected hereby. Good cause for the termination shall exist for POLYTEC in particular if
- the continuation of the corresponding delivery relationship with the buyer of POLYTEC ("Buyer relationship") becomes unreasonable for POLYTEC and POLYTEC therefore terminates this delivery relationship,
 - the buyer of POLYTEC terminates with regard to all or individual parts/services that are to be delivered under this agreement or seriously and finally refuses the fulfilment of the buyer relationship for reasons, which were not culpably caused by POLYTEC, or
 - free capacities or machine sizes at POLYTEC arise according to the individual contract between the SUPPLIER and POLYTEC,
 - the SUPPLIER is not willing or in the position to deliver or provide the products that are to be delivered respectively the services that are to be provided under this agreement as a maximum at the market price,
 - the SUPPLIER does not deliver the contractually agreed quality or not in the owed type, manner or modality or not within the deadlines, also in cases of force majeure at the Supplier,
 - an insolvency application is filed over the assets of the SUPPLIER,
 - the majority relationships (participation under company law) change at the SUPPLIER,
 - the SUPPLIER changes the production location without the consent of POLYTEC.

Each termination has to be carried out by registered letter.

§ 6 Place and date of performance of the deliveries

- 6.1 The place of performance is the plant of POLYTEC that is to be supplied respectively the place of delivery cited in the order. A change to the delivery address will be communicated to the SUPPLIER in time.
- 6.2 Agreed dates and deadlines are binding. The deliveries are to be carried out according to the instructions of POLYTEC. The date of the full and fault-free execution of the respectively agreed obligations of the SUPPLIER including the full and correct documentation shall be deemed as the delivery date for deliveries and services.

§ 7 Interferences to delivery and default

- 7.1 In the event of default for which the SUPPLIER is responsible POLYTEC has the right, after the unsuccessful expiry of a reasonable final deadline, to have the not yet provided service carried out by a third party for the expense of the SUPPLIER or to rescind the contract. In the event of default the SUPPLIER is obligated to compensate the damages due to default. The costs incurred by the default (also additional costs owing to an accelerated service to customers of POLYTEC that become necessary) shall be fully for the expense of the SUPPLIER. In case of defective delivery of the object of contract POLYTEC is entitled to withhold the payment pro rata of the value until the proper fulfilment.
- 7.2 In the event of a premature provision of the object of delivery, which may only be carried out after the explicit consent of POLYTEC, the payment deadlines shall only begin on the originally agreed date. Expenses and damages incurred through the premature delivery, partial delivery or the delivery of additional quantities are to be reimbursed. The SUPPLIER will inform POLYTEC without delay about such circumstances, which may lead to interferences to delivery, in particular to a late or merely partial delivery.
- 7.3 If the SUPPLIER does not adhere to the deadlines, interim or final dates agreed in the individual contract or in the order, it has to bear the following contractual penalties until the actual date of provision, respectively calculated from the total order value:
- Deliveries and services: 0.5% per started week of default, a maximum of 5% of the total order value
 - Documentation 0.5% per started week of default, a maximum of 5% of the total order value
- 7.4 The contractual penalties can, if applicable, also be deducted from the current accounts or receivables. If the dates change owing to changes to the scope of delivery then the changed dates shall also be deemed as equally subject to the contractual penalty. Statutory claims and rights of POLYTEC in the event of default and delay shall remain unaffected hereby.
- 7.5 Reservations of title of the SUPPLIER, no matter of what kind, are excluded.

§ 8 Order, packaging, shipment

The general logistics agreement in the most recent version shall apply to all deliveries, this can be called under <https://www.polytec-group.com/einkauf>. Insofar as not otherwise regulated in individual contracts, the SUPPLIER has to carry out all deliveries DDP place of performance pursuant to the Incoterms 2010 and to choose the most reasonable shipment and service possibility for POLYTEC.

§ 9 Insurance

The SUPPLIER is obligated to ensure adequate insurance cover with regard to its obligations (Product liability insurance with a sum insured of EUR 5 million per physical injury/property damage). Further claims for damages of POLYTEC shall remain unaffected hereby. Upon request the SUPPLIER has to prove the insurance cover. POLYTEC can request from the SUPPLIER in special cases that it shall conclude a certain type of insurance and/or insurance in a certain amount. The contractual partners will coordinate separately regarding the assumption of costs in these cases.

§ 10 Liability for defects

- 10.1 The goods that are to be delivered must comply with the warranted properties, the technical specifications, the status of technology as well as the contractual agreements, be suitable for the certain purpose/need and be produced pursuant to the generally recognised industrial standards. The goods are to be delivered as new and free of rights of third parties, such as e.g. patents or rights of lien.
- 10.2 Externally visible deviations in quality and quantity as well as transport damages shall in any case be deemed as reported in time if they are communicated within three workdays after receipt of the goods. Hidden material defects shall in any case be deemed as reported in time if the notification is carried out within three workdays after discovery.
- 10.3 Insofar as not otherwise regulated in the individual contract the warranty period is 48 months from the proper acceptance of the deliveries/services by POLYTEC or 36 months from the first registration of the vehicle or installation of replacement parts, depending on which time occurs later. An inspection obligation of POLYTEC with regard to the deliveries and services before use is excluded.
Insofar as longer warranty periods are stipulated in enquiry documents of POLYTEC, these shall apply.
- 10.4 A warranty case exists if a defect occurs within the warranty period. The warranty obligation of the SUPPLIER shall primarily consist of the repair or the replacement of proven defective goods. Replacement deliveries have to be carried out at the same place of delivery as the first delivery.
If these warranty remedies are deemed unreasonable for POLYTEC with regard to an interference-free production POLYTEC can remedy the defect itself or have this carried out by a third party insofar as the SUPPLIER was reasonably informed hereof in advance. The costs incurred hereby shall be borne by the SUPPLIER.
- 10.5 Insofar as parts that are to be replaced are not included in the analysis or are not made available to the SUPPLIER for the technical analysis or revision, POLYTEC can scrap these. If the SUPPLIER requests the hand-over before the scrapping, POLYTEC will hand over the parts as far as possible at its costs. Other statutory or contractual rights shall remain unaffected by the regulations of this contract.

§ 11 Liability

- 11.1 If a claim is asserted against POLYTEC from the product liability, the SUPPLIER is obligated to indemnify POLYTEC from such claims and the expenses and damages incurred hereby, insofar as the product fault was caused by the SUPPLIER.
- 11.2 For measures of POLYTEC for defending damages the SUPPLIER will be liable for the expenses and damages incurred hereby, insofar as these measures are due to the faulty condition of the goods delivered by the SUPPLIER or to any other breach of obligations of the SUPPLIER. Other statutory or contractual rights shall remain unaffected by the regulations of this contract.
- 11.3 Besides compensation for own damages POLYTEC can request compensation for damages of affiliated companies as if it would concern its own damages.

§ 12 Quality and documentation

- 12.1 The SUPPLIER guarantees that the object of delivery is in impeccable condition with regard to used materials and design. The SUPPLIER has to comply with all safety regulations and shall ensure that the object of delivery and the production comply with the national and international laws, directives, standards (DIN, VDA and AIAG standards etc.) and regulations in particular with regard to occupational health and safety, environmental protection and fire prevention (in particular the compliance with the minimum wage). Insofar as no deviating requirements arise from said regulations the generally recognised most recent rules of technology are to be applied. The SUPPLIER shall ensure that these obligations will also be fulfilled and complied with by its sub-suppliers.
- 12.2 The SUPPLIER guarantees the competitiveness with regard to price, quality, innovation ability and adherence to delivery dates. In case of a breach of these guarantees the SUPPLIER will be given the possibility, by taking suitable measures, to improve the aforementioned criteria in order to be able to offer POLYTEC the same or better conditions. Insofar as the SUPPLIER does not achieve an improvement in the criteria within a deadline set by POLYTEC, POLYTEC is entitled to terminate the delivery relationship without a compensation payment with a period of notice of 3 months.
- 12.3 A serial production may only be started when POLYTEC has accepted the initial sample and has certified this in writing by an acceptance protocol or a test report signed by both contractual partners. The costs for the initial sampling, the acceptance protocol or the test report and a possible requalification are included in the price for the parts.
- 12.4 Should POLYTEC have to issue a new sample to the customer owing to significant changes, which are caused by the SUPPLIER, these costs will be further charged to the Supplier. In addition a costs flat rate shall be charged for administrative costs in the amount of EUR 450.
- 12.5 If the scope and type of the test and the test means and methods have not been agreed in writing the necessary status of the testing technology is to be determined between the respective quality bodies at the request of one of the two contractual partners. The SUPPLIER undertakes to comply with the Quality Assurance Agreement of POLYTEC, respectively in the most recent version, that can be called under <https://www.polytec-group.com/einkauf>.
- 12.6 The SUPPLIER agrees that POLYTEC will be granted access to the areas, in which parts are produced for the customer and can inspect the results of conducted tests at all times during the ongoing production.
- 12.7 Improvements to the object of contract may only be carried out after prior coordination and with the written consent of POLYTEC. Insofar as one of the parties sees the possibility for the further development, improvement or cost reduction of the object of contract, it will notify the respective other party hereof.

§ 13 Confidentiality and data protection

- 13.1 The SUPPLIER declares that it agrees to maintain secrecy concerning all information, which it has obtained from POLYTEC, and not to forward it to third parties and not to use it for any other purposes than for the contractual purpose, unless the information (i) is the general status of technology or becomes the general status of technology without its fault, or (ii) is already in its possession at the time when it is obtained, as can be proven in its written documents, or (iii) the SUPPLIER receives it from a third party without a condition of secrecy, without this third party having received such information directly or indirectly from POLYTEC.
- 13.2 These provisions shall also apply beyond the expiry or termination of the contract respectively the cooperation. If these obligations are not complied with POLYTEC is entitled to assert claims for damages and to take other legal remedies. Subcontractors are to be obligated accordingly.
- 13.3 The privacy statement of the POLYTEC Group is an integral part of this agreement and can be called in the most recent version under <https://www.polytec-group.com/de/Datenschutz>.

§ 14 Rights of use

- 14.1 Models, sketches, matrices, templates, samples, drawings, specifications etc., as well as confidential details and construction data, which are made available to the SUPPLIER by POLYTEC or are paid in full by POLYTEC, may only be used for deliveries to third parties with the prior written consent of POLYTEC. The SUPPLIER will exclusively use the confidential details and production means with regard to the contractually agreed deliveries and not for other purposes.
- 14.2 All models, tools, devices, drawings and other production aids etc., which are to be produced for execution of the order, shall pass to the property of POLYTEC and are to be marked as such. The SUPPLIER grants POLYTEC a free and transferable right of use, which is unlimited in terms of location and time, to all documents that are made available.
- 14.3 The intellectual property and right of use of POLYTEC to all documents, such as engineering, documentation, software, know-how shall remain with POLYTEC without restriction. The documents sent by POLYTEC may neither fully, nor partly be edited, copied, reproduced, translated into another language, distributed or processed (print, photocopy, microfilm or other process), without a prior written consent, albeit electronically or in any other manner.
- 14.4 The SUPPLIER has to ensure that the goods as well as the production process do not infringe any rights of third parties (in particular patent rights, utility model rights, copyrights, registered design rights, trademark rights or other rights to the intellectual property), whereby it shall indemnify POLYTEC and its buyers with regard to all claims of third parties owing to infringements of rights.
- 14.5 There is no liability and/or indemnification obligation insofar as the goods were produced according to detailed drawings or models that were handed over and the SUPPLIER does not know or, in connection with the products developed by it, does not have to know that property rights are infringed hereby.
- 14.6 POLYTEC shall acquire a work use right to all documents, drawings, sketches etc. that were handed over, which is unlimited in time and location, and is among others entitled to hand over the received documentation to its other contractual partners and to use these itself to an unlimited extent.

14.7 If joint activities of the parties, in particular in the field of the development, lead to production processes or materials, which are patentable, the parties will agree separately upon the conditions of the application for entry and exploitation of this know-how. In no way may this agreement lead to an increase in the prices for the contractual products. The SUPPLIER is obligated to the care, maintenance and service of the production means.

§ 15 Provided products and/or materials

15.1 Insofar as POLYTEC provides parts, POLYTEC shall reserve the property hereto. Processing or conversion by the SUPPLIER will be carried out for POLYTEC. If the reserved goods are processed by POLYTEC with other objects not belonging to POLYTEC, then POLYTEC shall acquire the co-ownership to the new object in the ratio of the value of the object of POLYTEC to the other processed objects at the time of processing.

15.2 If the object provided by POLYTEC is inseparably mixed with other objects not belonging to POLYTEC, then POLYTEC shall acquire the ownership to the new object in the ratio of the value of the reserved object to the other mixed objects at the time of the mixing. If the mixing is carried out to the extent that the object of the SUPPLIER is to be seen as the main object, then it shall be deemed as agreed that the SUPPLIER shall transfer pro rata co-ownership to POLYTEC; the SUPPLIER shall hold the sole ownership or the co-ownership in safekeeping free of charge for POLYTEC.

15.3 The SUPPLIER is solely responsible for the fact that the tools shall comply with the respectively valid statutory, official and accident prevention regulations.

§ 16 CE marking

For deliveries and services for which the affixation of the CE marking and/or a declaration of conformity is stipulated or permitted, the SUPPLIER is obligated to comply with all statutory provisions in this respect and to affix the CE marking to a machine/system ready for use and/or to make the necessary declarations of conformity available to POLYTEC in the language(s) stipulated for the documentation or in the language(s) stipulated by the statutory provisions. The risk analysis is to be handed over to POLYTEC in any case.

§ 17 Compliance

The contractual parties undertake to comply with the Code of Conduct of POLYTEC. This Code of Conduct is an integral part of this agreement and can be called in its most recent version under <https://www.polytec-group.com/einkauf>.

§ 18 Place of jurisdiction and applicable law

18.1 The exclusive place of jurisdiction for all disputes from or in connection with this contractual relationship is the registered seat of POLYTEC.

18.2 German substantive law shall apply (under the exclusion of the provisions under the law of conflicts and the UN Convention on Contracts for the International Sale of Goods).

§ 19 Miscellaneous

- 19.1 The SUPPLIER may only assign rights and obligations pursuant to this contract with the written consent of POLYTEC. This consent may not be refused if the position of the party concerned is not diminished in any way by the assignment.
- 19.2 Should one provision of this agreement be or become invalid this shall have no effect on the validity of the contract on the whole.
- 19.3 Amendments or addendums to this agreement shall require a written form. This shall also apply to the change to this written form requirement.

Annex 1 Companies of the POLYTEC GROUP

[Place], [Date]

Place, date: _____

[POLYTEC company]

[Supplier]

Name

ANNEX 1
Companies of the POLYTEC GROUP

<p>POLYTEC PLASTICS GERMANY GmbH & Co KG Brandstrasse 29, 49393 Lohne, Germany HRB 203075 Oldenburg</p>	<p>POLYTEC PLASTIK Ürünleri Sanayi ve Ticaret A.S. Organize Sanayi Bölgesi Mehmet Altinsoy Bulvari No. 12, Turkey</p>
<p>POLYTEC PLASTICS Idstein GmbH & Co KG Black & Decker Strasse 25, 65510 Idstein, Germany HRA 7807 Wiesbaden</p>	<p>POLYTEC COMPOSITES NL B.V. Borchwerf 37, 4704 RG Roosendaal, The Netherlands</p>
<p>POLYTEC PLASTICS EBENSEE GmbH Steinkogelstrasse 32, 4802 Ebensee, Austria Wels Regional Court FN 239046</p>	<p>POLYTEC COMPOSITES South Africa (Pry) Ltd. East London IDZ, Lower Chester Road, Sunnyridge East London Eastern Cape, 5201, South Africa</p>
<p>POLYTEC Plastics NLBV Bosweg 2, 4645 Putte (The Netherlands)</p>	<p>POLYTEC CAR STYLING Hörsching GmbH Polytec-Strasse 1, 4063 Hörsching, Austria</p>
<p>POLYTEC AUTO PARTS Co., Ltd. Xinye 6th Street 19, 218, The West Zone (TEDA) Tianjin 300462, China</p>	<p>POLYTEC CAR STYLING Weierbach GmbH Langenfelder Straße 5, 55743 Idar-Oberstein, Germany</p>
<p>POLYTEC COMPOSITES Germany GmbH & Co KG Alte Münzesheimer Strasse 4, 76703 Kraichtal-Gochsheim, Germany</p>	<p>POLYTEC CAR STYLING Schoten NV Metropoolstraat 8, 2900 Schoten, Belgium</p>
<p>POLYTEC COMPOUNDS GmbH & Co KG Alte Münzesheimer Strasse 8, 76703 Kraichtal-Gochsheim, Germany</p>	<p>POLYTEC CAR STYLING UK Ltd. Porthouse Industrial Estate Bromyard, Herefordshire HR7 4NS, UK</p>
<p>POLYTEC INDUSTRIELACKIERUNG Weiden GmbH Meerbodenreuth 33, 92665 Altenstadt, Germany</p>	<p>POLYTEC FOHA Inc. 7020 Murtham Avenue Warren, MI 48092, USA</p>
<p>POLYTEC INDUSTRIELACKIERUNGEN GmbH & Co KG Lochfeldstrasse 20 - 24, 76437 Rastatt, Germany</p>	<p>POLYTEC Komlo Kft. Patak u. 2 7300 Komló, Hungary</p>
<p>POLYTEC COMPOSITES Bohemia s.r.o. Mariánskolázenská 200, 34813 Chodová Planá, The Czech Republic</p>	<p>POLYTEC ELASTOFORM GmbH Kiesstrasse 12, 4614 Marchtrenk, Austria</p>
<p>POLYTEC COMPOSITES Slovakia s.r.o. Veľkoul'anská cesta 1051 / 1, 92521 Sládkovicovo, Slovakia</p>	<p>POLYTEC THELEN GmbH Am Vorort 27, 44894 Bochum, Germany</p>
	<p>POLYTEC EMC ENGINEERING GmbH Kiesstrasse 12, 4614 Marchtrenk, Austria</p>