



## GENERAL TERMS AND CONDITIONS OF PURCHASE FOR TOOLS

Version 11/2021

**Exclusively for use with business persons acting in the course of business when concluding the contract.**

### DEFINITIONS

“**Tools**” shall mean all production tools, dies, fixtures, jigs, gauges, molds, patterns, measures, samples, including related software, drawings or any other related documentation.

“**Products**” shall mean the products Supplier is producing for NORMA using the Tools.

### 1. SCOPE

- 1.1 These General Terms and Conditions for Tools shall exclusively apply to all purchase orders and contracts for the construction, manufacturing, purchase, use and bailment of Tools by and between any company of the NORMA Group ("NORMA") and the supplier or any affiliated company of the supplier (the "Supplier"). NORMA explicitly objects to any deviating or supplementary conditions set by Supplier.
- 1.2 Supplier's general terms and conditions or any other Supplier's contractual documents shall not apply, irrespective of whether or not such terms and conditions have been expressly rejected by NORMA. Any deviating terms and conditions shall only be binding upon written confirmation by NORMA. NORMA's unconditional acceptance of or payment for the Tools shall not constitute the conclusive acceptance of any deviating terms and conditions.
- 1.3 These General Terms and Conditions for Tools shall apply to all future Tool Contracts between NORMA and Supplier, even if they are not explicitly referred to in future Tool Contracts again.

### 2. CONTRACT FOR TOOLS

- 2.1 Any Purchase Order for Tools issued by Norma and accepted by the Supplier constitutes a contract for the Tool ("Tool Contract"). In order to become effective, any

modifications of or amendments to a Purchase Order by Supplier requires NORMA's express confirmation in writing.

- 2.2 NORMA reserves the right to make, or request that Supplier makes modifications with regard to the Tools at any time. Supplier will immediately, usually no later than ten (10) days, demonstrate the effects of any such modification on price (by means of a cost break down and appropriate documentation), delivery date and quality effects with respect to the Tools and (if manufacturing of production Products by Supplier has been agreed) with respect to such production Products to be manufactured by Supplier. If such modification requires any deviation in price or delivery date, NORMA and Supplier shall agree an appropriate adjustment of the Tool Contract in writing.
- 2.3 Unless otherwise agreed in writing, Supplier shall not be entitled to any remuneration or reimbursement of costs relating to the preparation of a Contract, in particular offers, visits, studies, drawings of costs estimates or other analyses preparatory to the conclusion of a Contract.

### 3. CONSTRUCTION OF TOOLS

- 3.1 Supplier shall design, construct and manufacture (or have manufactured) Tools in accordance with the specification, technical descriptions, drawings or CAD models of the Tool or single parts thereof provided or approved by NORMA ("Specification"). Supplier will immediately inform NORMA if in Supplier's view the Specification is incorrect, incomplete or otherwise deficient. Any modification of the Specification by Supplier shall require the prior written consent of NORMA.
- 3.2 Supplier's obligation to construct the Tool shall also include the related documentation (all drawings, descriptions and other documentation, including CAD models

and the source code, of the Tools). Unless agreed otherwise, the documentation must be provided in English language.

Supplier will additionally furnish NORMA in two-week-intervals with a Tool progress control.

- 3.3 Quality and workmanship of the Tool shall be in line with the agreed technical specifications, functions, performance values and requirements to drawings. Supplier will ensure that the manufacturing of the Tool will be performed in compliance with all relevant rules and regulations in a skilled manner and in due time.
- 3.4 If, after NORMA has ordered the Tool, any technical modifications or extensions are requested which would result in price changes or postponement of deadlines, Supplier shall submit to NORMA a written offer, stating the consequences for deadlines and costs, prior to beginning the modification work. Oral agreements made after the placing of an order shall require written confirmation. Supplier shall be liable for any additional costs or deadline shifts not confirmed in writing by NORMA.
- 3.5 Upon completion of the Tool, Supplier shall furnish NORMA with initial samples in the required quantity as well as with a completed tool data sheet (including a photo in open condition).
- 3.6 In case Supplier is contracted to carry out serial production of parts out of the Tool, serial production is subject to successful completion of NORMA's approval process resulting in the release for serial production by NORMA. Supplier will manufacture the required number of initial samples under serial conditions and present them to NORMA together with the corresponding initial sample inspection report. The release of initial samples of any shall constitute a release of the Tool only to the extent to which the initial samples have been produced under serial conditions and other requirements for release have been fulfilled. The release of the Tool shall not constitute an acceptance as non-defective of any Products which are produced using the Tool.

#### 4. SUB-SUPPLIERS

Supplier shall not be entitled to subcontract the manufacturing of Tools or any part thereof to a sub-supplier without prior written consent of NORMA. Prior to such consent, Supplier shall provide NORMA with any and all information relating to the sub-supplier requested by NORMA. Further, Supplier undertakes to obtain the right for NORMA to inspect the plant of the sub-supplier. If a written consent is granted, Supplier shall bind the sub-supplier by obligations corresponding to these Terms and Conditions for Tools. In any case, Supplier shall be responsible for the manufacture of the Tool towards NORMA.

#### 5. PROPERTY, LABELING, TRANSFER OF RISK AND PROPRIETARY RIGHTS

- 5.1 Supplier and Norma agree that title in the Tool is transferred to Norma. The title in the Tool or any product thereof shall pass onto NORMA upon the beginning of the manufacturing of the Tool or, as the case may be, of the purchase of the Tool or Products thereof by Supplier including the related documentation; however latest with completion of the Tool. Such transfer of title shall by no means constitute acceptance of the respective unfinished intermediate stage of the Tool.
- 5.2 In case Supplier is designated to manufacture serial parts out of the Tool, Supplier shall remain in possession of the Tool for NORMA on a bailment basis. At the latest upon completion of the Tool, Supplier shall visibly and permanently mark the Tool as property of NORMA. Upon request of NORMA Supplier shall additionally state the Tool Number(s) set forth by NORMA and/or furnish photos in order to prove the labeling.
- 5.3 Supplier shall be obliged
  - a) to keep the provided Tool safe free of charge, properly store it and treat it with appropriate care and diligence, to protect it against destruction, damage and environmental impacts and to insure it against all insurable risks for the benefit of NORMA in line with industry standard. Upon request, NORMA shall be furnished with evidence of such insurance;

- b) to ensure that the Tool is ready for operation and to carry out, at Supplier's own cost, all maintenance, repair and replacements, if any, of Tools, to the extent required in order to be able to produce Products in the quality and quantity specified by NORMA. Replacements, reallocation and modification of Tools shall always require the prior written consent by NORMA and the presentation of new initial samples by Supplier and the release of such new initial samples by NORMA. In the event that Supplier, for any reason whatsoever, is unable to ensure the Tool's readiness for operation, NORMA shall be entitled to carry out the necessary maintenance, repair and replacement work on the Tool itself or through a third party. In this case, upon request, Supplier will keep the respective Tool ready for collection by NORMA or by a third party designated by NORMA. The costs incurred through transport and necessary work shall be borne by Supplier;
- c) to maintain a complete and consistent Tool maintenance history, which will include, without limitation, records regarding any modification, maintenance and repair carried out and the number of Products produced;
- d) to store the Tools and the documentation free of charge for such period of time as may be specified by NORMA, but at a minimum for 15 years after the end of the serial production, unless NORMA requests that they be returned to NORMA at an earlier time. Any scrapping of Tools after such period may only be performed with prior written consent of NORMA; and
- e) to immediately inform NORMA if planned quantities or quantities specified in call offs by NORMA or by any authorized third party reach more than 80% of the Tool capacity.

### 6. USE OF THE TOOLS, RIGHTS OF THIRD PARTIES

- 6.1 Supplier shall use the Tools exclusively for the production of Products for NORMA or for a third party designated in writing by NORMA. Any other use of the Tools

by Supplier requires the prior written consent of NORMA.

- 6.2 Supplier acknowledges that the Tool is designed and constructed using NORMA's technical know how and a reproduction of a Tool or a similar Tool for any use other than a use according to 6.1 above, requires the prior written consent of NORMA.
- 6.3 Supplier represents that Supplier is not aware of any intellectual or industrial property rights in the Tools or in the documentation, which might prevent NORMA from using the Tools or the Products produced out of the Tools. In the event of any infringement, Supplier shall indemnify and hold NORMA harmless from any third party claims to the extent legally permitted. Should any such rights of Supplier exist, Supplier grants NORMA free of charge the nonexclusive, worldwide, transferable, unlimited right to use the Tool and the related documentation for the production of Products.

### 7. RETURN OF TOOLS

NORMA shall be entitled at any time to request return of the Tools, including all related documentation. If NORMA instructs Supplier to return the Tools or to transfer of said Tools to another location or to a third party, Supplier shall be obliged to carry out such instruction immediately and upon first demand. Supplier shall be entitled to claim reimbursement of the costs for transport, freight and packaging associated therewith. Supplier shall have no right of retention regarding the respective Tools and documentations, unless the counterclaim is uncontested or has been established in a final and absolute declaratory judgment.

### 8. PAYMENT

- 8.1 Price and payment terms for the purchase of Tools shall be as set forth in the Tool Contract. Unless otherwise agreed, payment for ordered Tools shall be made upon written unconditional release by NORMA of the initial sample inspection report of the Product.
- 8.2 The Parties may agree that the costs for any Tool are allocated to a defined number of serial parts and amortized via the serial price of the Products. In this case, the

agreed Tool costs and the defined number of serial parts will be shown separately on the order for the Products.

### 9. DISCLOSURE OF TOOL COSTS

Upon request, Supplier shall provide NORMA for verification purposes with a detailed breakdown of the Tool costs which form the basis of the Tool costs to be allocated pursuant to the respective Tool Contract, together with the relevant records and documents. If NORMA discovers that the actual costs were lower than the costs on which the tool agreement is based, the difference shall be credited to NORMA.

### 10. DEADLINES

10.1 The deadlines and dates set forth in the Tool Contract shall be binding. In the event of default, Supplier shall compensate NORMA for any costs and losses resulting from such default.

10.2 In the event of a delayed delivery or initial sample date for which Supplier is responsible, NORMA shall be entitled to demand a penalty payment of 0.5%, but no more than 10.0% of the Tool value, for each beginning working day of the delay. Any further or other statutory claims shall remain unaffected. Any penalty shall be deducted therefrom. The right to claim a penalty payment shall not be forfeited if, upon late delivery of initial samples, the right to claim a penalty payment was not explicitly reserved.

10.3 Should the delivery date be delayed for any reason for which NORMA is responsible, Supplier shall be entitled to add the corresponding number of days to the delivery date. In this case, the obligation to pay penalty shall begin only upon the end of the recalculated calendar day. Such prolongation shall only be permitted if the Contractual Partner communicates the exercise of the prolongation right in writing immediately upon becoming aware of the delay caused by NORMA.

### 11. WARRANTY CLAIMS

11.1 Supplier warrants that the Tool and the documentation (i) conform to the specifications, drawings, samples and other requirements to the Tools; (ii) are free from any defect; (iii) fulfil the state of the art requirements; (iv) are fit for the particular purpose for which they are ordered

and (v) comply with all relevant statutory rules, directives or other provisions. (vi) are suitable for producing non-defective parts in accordance with the specification and the technical documentation of the Products.

11.2 Should the Tools not meet the requirements under Section 11.1 above (hereinafter also referred to as "Defective Tool"), Supplier shall rectify the Defective Tool within a reasonable period of time set by NORMA. If rectification fails within such period of time, or if rectification by Supplier is not possible or economically sensible, NORMA shall be entitled to carry out the repair directly or through a third party or to terminate the agreement.

11.3 The warranty period shall be 36 months from the release of the initial samples for serial production, unless another period is agreed in the respective Tool Contract.

11.4 Supplier shall be liable to NORMA for any and all damages incurred in connection with the Defective Tool, including costs for the analysis and prevention of damage, such as picking, test and transportation costs.

11.5 NORMA's rights and remedies provided for in this Section 11 shall not be exclusive, and are in addition to any other statutory rights and remedies, which shall remain unaffected by these General Terms and Conditions for Tools. The same shall apply to longer statutory warranty periods.

### 12. LIFE TIME PERFORMANCE

12.1 If a Tool Contract provides for a certain life time availability, reliability or output quantity of the Tool, Supplier assumes the responsibility for the defect free performance of the Tool according to such life time availability, reliability or output quantity.

12.2 If the Tools provided to Supplier by NORMA have not been manufactured by or on behalf of Supplier, Supplier shall, upon acceptance of the tools, inspect them for suitability for the contractually agreed life time availability, reliability or output quantity and for the defect free production of the Products. Where appropriate, Supplier shall make a written offer to NORMA regarding the required repairs. By performing the repairs ordered by NORMA, Supplier shall assume the responsibility for the

performance of the tools to the contractually agreed scope.

### 13. CONFIDENTIALITY

Supplier undertakes to treat confidential and not to publish or otherwise announce and not to use for any purpose other than the production of the Tool or of Products for NORMA any and all commercial or technical records, information or data of NORMA to which Supplier gains access as part of a Tool Contract. This shall not apply to demonstrably obvious information. Supplier will ensure that Supplier's sub-suppliers, agents and employees are bound by a corresponding obligation of confidentiality.

### 14. TERMINATION

14.1 NORMA shall be entitled at any time to terminate the respective Tool Contract in writing in whole or in part. In this case, NORMA shall reimburse Supplier for expenses demonstrably incurred up to the termination and resulting directly from the Tool Contract, at a maximum up to the amount of the agreed remuneration. Supplier shall not have any further claim to performance or damages due to the termination.

14.2 NORMA may terminate a Tool Contract, in full or in part, with immediate effect for cause and without any liability or compensation obligation to Supplier, in the following events:

- a) Supplier commits a breach of any of its main obligations under a Tool Contract and fails to remedy such breach within 30 days after written notice;
- b) Supplier fails to meet a milestone and did not meet the milestone within the period reasonably set forth by NORMA;
- c) NORMA's customer terminates the contract with NORMA for which the Tools were intended for;
- d) Supplier becomes insolvent, or bankruptcy or insolvency proceedings of any nature are have been filed against the Supplier or any execution measures have been initiated against the Supplier which have not been cancelled within one month (e.g. cancellation of seizure).

14.2 In the event of a termination, Supplier will upon request return all property of NORMA, including Tools and documentation.

14.3 If Supplier, as part of a Tool Contract, performed any work for NORMA which at the date of termination is not yet the property of NORMA, NORMA shall have the right to acquire such work. The price shall be based on the level of completion, pursuant to the respective Tool Contract. Any amounts paid for as part of the Tool Contract will be deducted. These principles regarding the remuneration for Supplier's work shall apply accordingly if NORMA has become the owner of the work prior to termination.

14.4 To the extent that NORMA is granted rights of use under these Terms and Conditions for Tools, such rights of use shall continue to exist regardless of a termination.

### 15. GENERAL PROVISIONS

15.1 A Tool Contract and these Terms and Conditions for Tools shall be governed exclusively by the laws of the country in which NORMA's place of business is located. The United Nations Convention On Contracts For The International Sale Of Goods (CISG) and the conflict regulations regarding private international law are expressly excluded. Place of Jurisdiction shall be the court competent for NORMA's place of business. NORMA may alternatively choose the Court at Supplier's place of business.

15.2 Any collateral agreement, modification of, or amendment to, these Terms and Conditions for Tools, shall only be valid if confirmed in writing by NORMA. This shall also apply to a modification of the requirement of written form.

15.3 Supplier shall inform NORMA about: (i) any import/export license requirement or restriction in accordance with German or any foreign law and export controls and customs regulations; (ii) any import/export laws, regulation and restrictions in force in the country of origin of the Products and (iii) any export controls classification of the Products.

- 15.4 Should any provisions of these Terms and Conditions for Tools or of the other agreements entered into be or become invalid, the validity of the remaining Terms and Conditions for Tools or of the remaining other agreement shall remain unaffected. The Contractual Partners shall be obliged to replace the invalid provision by a provision which in terms of economic results comes as closely as possible to the invalid provision.
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