

Additional terms and conditions for plastic electroplating of Fischer Group, as of: 01/02/2017

Applies to the following companies:

- Fischer Surface Technologies GmbH
- Fischer Oberflächentechnologie GmbH
- Galvanoplast Fischer Bohemia s.r.o.

§ 1 – Warranty/claims for defects

The purchaser's legal warranty rights according to §437 para. 1 BGB shall be applied according to the following provisions:

(1) In order to retain its warranty rights the purchaser must examine the objects of delivery without undue delay and notify us of externally visible defects within a limitation period of 12 days after receiving the good, and of hidden defects in writing without undue delay after their discovery.

(2) We will repair or recall defective objects of delivery according to our own choice and replace them with functional objects of delivery or refund them with a credit note.

(3) In the event of a complaint payments may only be withheld by the purchaser in the amount of the delivery value affected by a defect. The purchaser may only withhold payments if a complaint is being made which is undoubtedly well-founded. Should a wrongful complaint be made, we are entitled to claim reimbursement for expenses incurred from the purchaser.

(4) The purchaser must give us enough time and opportunity to carry out such work as we deem necessary for remedy, especially to sort out the defective objects of delivery. Otherwise we shall be released from liability for the resulting consequences. The purchaser only has the right to remedy the defect itself or to employ third parties to remedy it and demand reimbursement for necessary costs in urgent cases of risk to operational safety or to prevent disproportionately large damages or if we are behind on rectification. In such a case we must be notified immediately.

(5) We especially accept no liability in the following cases: Supply of unsuitable or defective raw parts or injection moulds by the purchaser. In such cases the purchaser is obliged to accept the objects of delivery produced by us using the raw parts or injection moulds supplied by the purchaser at the agreed price. The same applies where we have passed the injection moulds on to third parties for the manufacture of raw parts.

(6) We accept no liability for defective goods and shortfalls of up to 3% of the total quantity delivered in orders of small or mass-produced parts, unless this liability has been agreed in writing.

(7) Claims for defects expire 12 months after delivery of the objects of delivery, unless a longer limitation period is mandatory by law. This excludes claims for defects as well as compensation claims.

(8) For the agreement of a level of quality, boundary parts/samples shall be defined in the project planning of a part, serving as a binding basis for the decision as to whether the part is acceptable or not acceptable. The boundary parts/samples should be based on points 10.1 and 10.2 of VDA Volume 16. Fischer will prepare the boundary parts/samples as quickly as possible within the scope of project planning.

In the case of matt chrome surfaces a gloss range must be defined. For this purpose already matched components or the optionally available master samples will be involved by Fischer.

Further, the definition of inspection areas by A, B and C zones is required and will be mutually agreed.

(9) The 100% visual inspection, which is carried out by Fischer to ensure the delivery quality, is based on the aspects set out below:

- 60 cm inspection distance
- Review of the component in the assembly position
- Economic control times (Pts. 4 & 5 VDA Volume 16)

(10) The point for the coating thickness measurement shall be agreed between customer and Fischer. Otherwise, the main inspection area is considered as the evaluation criterion.

(11) Due to the subjective, visual inspection, a potential for failures exist, which is accepted by the customer. The slippage in OK deliveries is at 1-3% according to experience. The customer is responsible for dealing with above described slippage. A worker self-inspection has proved its worth, which is commonly performed in the context of an inspection before installation, in particular prior to assembly. The boundary samples, agreed by the customer and Fischer, are applied (point 2), which will be supplied to the customer after final discussion.

(12) In case of rework- and/or sorting actions and sorting costs, customer will inform Fischer who will release them by an authorized person.

(13) To accept a complaint of obvious defects the customer has to start a complaint not later than 4 weeks after delivery.

(14)

Failure characteristics are divided into two kinds of failure categories:

a) Systematic failures:

Systematic errors are processed by an 8D report. An initial statement is provided within 24 hours, and the detailed report is provided within max. 10 working days (after receipt of one or more failure parts). Furthermore the affected components of this failure category are replaced or are sorted out at the expense of Fischer (point 6). In this context of the continuous improvement process quarterly targets and the ppm rate will be agreed in terms.

Justified 8-D complaints, wrong deliveries, labeling's and packaging's are included In the agreed ppm rate.

Voluntary disclosures and collective scrap is not ppm relevant.

b) Appearance depending failures or slippage

The at CUSTOMER emerging slippage is handled by a collective scrap process. In this context the NOK components are collected on site of the customer and returned in safe packing to Fischer or evaluated together depending on number and volume as part of a quality conversation. In individual cases it can be scrapped after approval by an authorized employee of Fischer.

The Parties agree accordingly a collective scrap of 3% after completion of the above mentioned random sample survey and the worker self-inspection.

The statement of the collective scrap is carried out by the result of the post-control of Fischer to CUSTOMER. Collective scrap complaints are no complaints in the common sense. 8-D reports are not created for them, because in certain circumstances a quality conversation takes place, to define the measures.

At low volumes of collective scrap the aforesaid periodical collective scrap conversations are not necessary. The costs for complaint, testing, sorting and processing or collection costs do not apply for collective scrap. Only the part costs invoiced by Fischer will be assumed by Fischer for proven imperfect parts.

In case of collective scrap Fischer does not accept any quality and assembly costs. In case of a complaint by a customer of CUSTOMER Fischer will assume only the part of the invoiced costs by Fischer for proven imperfect parts.

Collective scrap is not included in the supplier evaluation.

(15) A distinction is made in two different kinds of OEM complaint:

a. complaint on the basis of systematic failure:

For systematic failures Fischer assumes the costs and expenses, which are proportionate to the value of the part costs invoiced by Fischer . Generally the fourfold of the part costs invoiced by Fischer will be agreed as the maximum.

Despite all Fischer requires the claimed components returned for analyzing the failures, otherwise no complaints will be accepted.

b. Complaints due to slippage by appearance depending failures:

Fischer assumes in case of slippage and therefore optical defects, only the part of the part costs invoiced by Fischer for proven imperfect parts. Fischer accepts no further quality and assembly costs.

(16) In any case the responsibility of harm reduction applies.