

**General terms and conditions of purchase for repair services, VW AG /
general purchasing division (current as of 1 May 2018)**

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General terms and conditions of purchase for repair services, VW AG / general purchasing division (current as of 1 May 2018)

1. Validity of the contractual conditions / contractual elements

1.1

These terms and conditions shall supplement the general terms and conditions of purchase, VW AG / general purchase division and the additional general and special terms and conditions of purchase pertaining to the nature of the repair service in question, this in accordance with the following regulations.

1.2

The contractual elements shall appear in the following order of precedence, this as far as available and not otherwise agreed:

1.2.1

- the VW order description

1.2.2

- the negotiation records in chronological order

1.2.3

- these terms and conditions of purchase and

1.2.3.1

- the special terms and conditions of purchase for construction services, with the additional contractual elements listed in figures 2.4.4 onwards, as far as they pertain to repair services concerning the main construction trade, secondary contract work or the repair of premises in relation to other trades

1.2.3.2

- the special terms and conditions of purchase for facilities, with the additional contractual elements listed in figures 2.4.4 onwards, as far as they pertain to the repair of a VW AG-owned plant,

in all other cases, for those repair services not related to figures 1.2.3.1 and 1.2.3.2, above,

1.2.3.3

- the general terms and conditions of purchase / general purchasing

1.2.3.4

- the operational resources guidelines 1.01

1.2.3.5

- the service request or service description (with particular, but not exclusive reference to the specifications) issued by VW

1.2.3.6

- the relevant general recognised technological guidelines, particularly the relevant DIN provisions

2. Execution

2.1

The service provision shall constitute the completion of the order-related repair services in a complete, defect-free manner on the due date.

2.2

Provided that no binding date for the completion of the repair services in question can be ascertained from the order itself or on the basis of other agreements between the parties, the contractual partner shall be obliged to perform the repair services in question within thirty calendar days of its receipt of the order at the latest, or, in the event of repair services to be performed on the contractual partner's premises, within thirty calendar days of the receipt of the object of repair in question.

3. Replacement value limitations

The contractual partner shall be obliged to inform VW of the anticipated cost of the complete repairs required in the case of repair services which do not fall within the scope of figures 1.2.3.1 and 1.2.3.2, this prior to the execution of the said repairs. Likewise, the contractual partner shall also be obliged to calculate the replacement

value of the object of repair. In the event that the cost of the complete repair services amount to 50% of the object's replacement value or more, the contractual partner may only carry out the repair in question after having provided VW with details of the estimated cost of the complete repair and the replacement value and waiting until VW orders the execution of the said repair services.

4. Contractual penalty

4.1

The contractual penalty rules in accordance with fig. 6 of the special terms and conditions for construction services shall apply to repair services to premises. The contractual penalty rules in accordance with fig. 6 of the special terms and conditions for construction services shall apply to repair services to facilities.

4.2

A contractual penalty pertaining to all other repair services shall be agreed as follows:

4.2.1

In the event that the contractual partner is responsible for exceeding the agreed completion deadline or is in default in any way, the contractual partner shall be obliged to pay 0.2% of the net repair remuneration and a maximum of 5% of the net repair remuneration for every working day which the deadline is exceeded or delayed.

4.2.2

In the event that the contractual partner is responsible for exceeding an agreed interim deadline or delays this interim deadline in any way, the contractual partner shall be obliged to pay 0.2% of the net repair remuneration in proportion to the interim deadline and a maximum of 5% of the net repair remuneration in proportion to the interim deadline for every working day which the deadline is exceeded or delayed. In the event that deadlines are exceeded or delayed, subsequent contractual penalties shall be taken into account in conjunction with contractual penalties levied in the case of preceding interim deadlines, this in order

to ensure that an accumulation of individual contractual penalties is excluded.

4.2.3

The total contractual penalty shall be limited to a maximum of 5% of the net repair remuneration and the maximum amounts specified in figs. 4.2.1 and 4.2.2 shall not apply individually.

4.2.4

VW shall not be obliged to assert its right to levy the contractual penalty at the time of acceptance, but may delay this until the final payment.

4.2.5

VW shall remain entitled to demand that the contractual partner compensates it for any possible damages incurred above and beyond the contractual penalty imposed (e.g. off-setting the imposed contractual penalty against the overall damages).

5. Industrial property rights, know-how

5.1

The following regulations outlined in figures 6.2 to 6.4, below, shall apply in the case of repair services which do not come under figures 1.2.3.1 and 1.2.3.2.

5.2

The contractual partner shall grant VW the gratuitous right to use industrial property rights and know-how applied by the contractual partner for the purposes of the contract's fulfilment, during subsequent operations.

All documentation, drawings and software programmes created by the contractual partner in conjunction with the repair-related service provision shall be subject to VW's unlimited property rights and rights of disposal. The contractual partner shall not be entitled to additional remuneration in this regard.

5.3

The contractual partner shall assign VW the usage and application authorisations for all services protected by copyright in conjunction with the contract's execution. Furthermore, the contractual partner shall

provide VW with assurances to the effect that it is not aware of any circumstances, particularly those pertaining to the industrial property rights of third parties, which impede the manufacture of those objects and processes required in order to fulfil the contractual conditions, nor of any claims which have been, or could be asserted against it pertaining to possible breaches of existing industrial property rights.

5.4

The contractual partner shall release VW from all third-party claims pertaining to the possible breach of industrial property rights arising from the contractual partner's violation of the obligations outlined in figures 5.2 and 5.3, above.

6. Storage, insurance

6.1

The following regulations outlined in figures 6.2 to 6.4, below, shall apply in the case of repair services which do not fall under figures 1.2.3.1 and 1.2.3.2.

6.2

The contractual partner shall be obliged to store the object of repair from the time of its transfer to the contractual partner until the conclusion of the repair service in question with the due diligence and care of a prudent and conscientious businessman. The contractual partner shall not receive any separate remuneration in return for the storage of the aforementioned object of repair. This shall constitute a secondary obligation of the non-gratuitous services which the contractual partner is obliged to provide.

The contractual partner shall be obliged to store the object of repair provided by VW separately from other supplies unless this conflicts with its intended use in accordance with the regulations, this on a long-term basis, and should clearly label the said object of repair as property of VW. In addition, the contractual partner may not remove the object of repair from the place of storage without VW's express prior permission.

6.3

The contractual partner shall be obliged to insure the object of repair against fire and water damage and theft and / or other damages within the context of its existing operational insurance, and to maintain this level of insurance until the conclusion of the repair services in question.

The contractual partner shall assign all claims to which it is entitled from the insurer in the case of loss or damage to VW. VW shall hereby accept this assignment.

6.4

The contractual partner shall be obliged to confirm its ownership of the object of repair at VW's request, and this in writing.

7. Return delivery

As far as objects of repair must be returned to VW, the said object of repair must be accompanied by the relevant delivery and shipping documentation and the required reference terms on the consignment note.