

**General Terms and Conditions of Business of Michelin Reifenwerke AG & Co. KGaA**

**for replacement sales  
(new tyres, retreading, services and purchase of carcasses)  
Austria**

**(Last updated: November 2021)**

## I. General provisions

These Terms and Conditions of Business of Michelin Reifenwerke AG & Co. KGaA – hereinafter also “MRW”, “we” or “us” – form the basis for all our offers and agreements, and will be deemed to have been approved upon the issuance of an order, upon use (of any kind) of the carcass management service, upon use of the corresponding electronic procedure or upon acceptance of a delivery. Supplementary, conflicting or differing terms and conditions imposed by the buyer (i.e. by a dealer or large-scale commercial consumer currently engaged in a business relationship with us) will not be deemed valid, even if we do not expressly contradict them; they will only apply if and in so far as we acknowledge them in writing on a case-by-case basis. These Terms and Conditions of Business will be deemed to have acquired validity on the date on which the buyer became familiar or should have become familiar with them, regardless of the manner in which this took place.

## II. Products and services

These General Terms and Conditions of Business apply to all products distributed by Michelin Reifenwerke AG & Co. KGaA, such as new tyres and retreaded tyres, and to any services performed. This includes:

- all goods offered (e.g. new tyres, retreaded tyres, accessories), and
- services (e.g. retreading).

## III. Retreading

A distinction is made between the following retreading procedures:

1. **Customer-owned (Nomi / custom retreading):** The buyer sends in a retreadable carcass for retreading and selects one of the retreading options in the currently available CB list (calculation basis). The products and brands which can be selected depend on the dimension and tread of the carcass which has been sent in. The buyer can contact the Michelin Service Centre to obtain copies of the latest documentation regarding the retreading programme. Once the retreading procedure has been completed using the carcass that was sent in, the retreaded tyre will be returned to the buyer.
2. **Carcass bank:** The buyer opens a “carcass bank account”, deposits carcasses in the account and then withdraws them whenever necessary as retreaded tyres. The buyer must conclude a separate agreement with us in order to open the account and process deposits and withdrawals.
3. **Exchange:** The buyer sends in a retreadable carcass for retreading and orders a retreaded tyre in return. The buyer receives the retreaded tyre once checks have been carried out on the tyre which has been sent in to confirm its suitability. The buyer selects the tread of the retreaded tyre on the basis of the current CB list, taking into account the dimension and tread of the carcass which has been sent in. The products and brands which can be selected depend on the dimension and tread of the carcass which has been sent in. The buyer can contact the Michelin Service Centre to obtain copies of the latest documentation regarding the retreading programme.
4. **Retreading, carcass included:** We offer the buyer, depending on availability, a retreaded tyre, including the carcass, on the basis of the current CB list. We reserve the right to change the current retread offer including carcass according to the KB list at any time.
5. **Carcass purchases:** The dealer offers us retreadable MICHELIN original carcasses with a maximum DOT of 10 years (we will inform the dealer of any exceptions on a case-by-case basis) at the prices and under the terms and conditions stipulated in our current purchase price lists. In the event that the shipment or recovery of the carcasses cannot be carried out as planned or the shipment or recovery is carried out as an unlawful shipment, we and the dealer hereby undertake to accept the carcasses back or to ensure that they are otherwise recovered, and to arrange for their storage in the interim period if necessary.

After we have accepted an order, the carcasses will be collected from the buyer or from the dealer by us or by a freight forwarder acting on our instructions. Upon collection, the carcasses must be free of oil, grease, water or other heavy soiling, and any foreign bodies must have been removed. The tyre number, DOT code and E-mark (type approval number) must be present and legible.

We will be responsible for the loading of delivery vehicles. We will bear the costs and risks of transport. Upon collection from our buyer, from the dealer or from the dealer’s customer, ownership of the carcasses will be transferred to us. In cases where the buyer or dealer is not the owner of the carcasses, the buyer or dealer must ensure that the owner has agreed to the transfer of ownership to Michelin upon collection of the carcasses.

We check all carcasses when they arrive at our premises. Carcasses which are checked upon arrival at our premises and classified as “not suitable for retreading” or which are destroyed during retreading as a direct result of their characteristics will be disposed of immediately via the appropriate channels. We will be responsible for selecting an appropriate disposal channel which complies with the applicable legislation. The buyer or dealer will be liable for any costs incurred by us in connection with checking the suitability of the carcass and transporting it, and in connection with its disposal (which generally attracts a charge); a flat-rate fee according to the current price list will be charged to cover these costs. In the event that a carcass is destroyed during factory retreading for reasons not attributable to the carcass’s characteristics, the buyer will receive a replacement carcass of our choice. A description of the damage will be available to the buyer or dealer via the online portal Michelin e-Remix.

6. **Carcass purchases:** We offer dealers retreadable carcasses on the basis of a separate agreement and subject to availability. Non-retreadable carcasses must be disposed of directly by the dealer via appropriate disposal channels. In the event that the shipment or recovery of the carcasses cannot be carried out as planned or the shipment or recovery is carried out as an unlawful shipment, we and the dealer hereby undertake to accept the carcasses back or to ensure that they are otherwise recovered, and to arrange for their storage in the interim period if necessary.

#### IV. Prices and delivery of products and services

1. Goods and services will be invoiced or credit notes issued (in the event that the carcass purchase is accepted) on the basis of the overall prices (e.g. list price plus VAT) valid on the date that the service is performed or the goods are shipped or collected, and under the terms and conditions valid on this date.
2. We reserve the right to alter our prices. If a price increase occurs during the period between the order date and the date on which the goods are delivered or the services provided, and if this period is shorter than four months, the buyer will be entitled to withdraw the order. Any such withdrawal must be notified to us in writing as soon as the price increase is notified and before delivery of the goods or performance of the services.
3. The buyer's orders will only be checked and processed in respect of the type and quantity of the goods being ordered when they are received by our Michelin Service Centre. When we confirm an order, we are not therefore confirming any information contained in this order regarding price, terms and conditions, time of delivery or quantities to be delivered.
4. Unless otherwise stipulated or agreed on, our deliveries are carriage paid at our own risk (DAP Incoterms® 2020). The buyer will be responsible for unloading the delivery vehicles, and the vehicles must be unloaded on the agreed date. If no such date has been agreed, the buyer must unload the vehicle immediately. The buyer will bear any additional costs incurred with expedited shipping requested on a case-by-case basis. No money will be reimbursed for collection by the buyer.  
The risk will be transferred to the buyer upon shipment. This also applies to partial deliveries or instances where line freight has been agreed. In cases where it has been agreed that the buyer will collect the goods, the risk will be transferred from us to the buyer seven days after the buyer has been notified that the goods are ready for collection and the goods have been made available.

If a debt collectible at the debtor's domicile has been agreed in the case of domestic delivery, the risk will be transferred to the buyer on the date on which the supplier makes available to the buyer for acceptance the object being supplied (EXW Incoterms® 2020). In cases where mail order sales have been agreed, the risk will be transferred to the buyer upon handover of the goods to the person assigned the task of performing the shipment (CIP Incoterms® 2020). If shipment is delayed as a result of circumstances attributable to the buyer, the risk will be transferred to the buyer from the date on which the products are ready for shipment.

Section 377 of the Commercial Code [Unternehmensgesetzbuch, UGB] applies to the buyer's obligation to inspect and give notice of defects. Upon delivery, the buyer must inspect the delivered goods for any defects (in particular any discrepancies in relation to the quantity or type ordered, or any soiling). The buyer shall grant the driver access to the point of drop-off on request for the purpose of checking the drop-off quantity, providing that he has sufficient personal protective equipment and complies with the respective house rules. Obvious defects must be notified immediately to the driver in order to preserve the buyer's rights (written comment on transport documentation), and notified to us within an appropriate deadline, and by default no later than three working days after delivery. If hidden defects are discovered (i.e. defects which were not identified despite completion of a proper inspection), they must be notified within a reasonable deadline after their discovery, and by default no later than three working days after their discovery. The goods delivered will otherwise be deemed to have been approved.

5. We provide buyers with significant yard business without significant resale business with the 3rd Party service (hereinafter "3P"). Through 3P, in the event of unavailability of selected new tyres, the buyer has the option of having them delivered by a selected Michelin resale partner or wholesaler (both hereinafter "Supplier"). We reserve the right to limit order quantities and periods depending on availability.  
The Supplier fulfils all legal requirements for an e-commerce business activity and guarantees buyer protection as well as data security and encryption. We would like to point out that not all providers on the market will be considered. The nomination is at our sole discretion.  
If the new tyres are not available, the buyer can choose delivery by the supplier during the ordering process by telephone, EDI or e-portal by pressing a button. The buyer thereby agrees to the transmission of his data stored at MRW (name, company, delivery address and order data). MRW then transmits this data directly to the Supplier. After transmission, the buyer will immediately receive a delivery status message via the system. The purchase contract is concluded between the buyer and MRW.
6. As a basic principle, delivery dates are not agreed. Any undertaking to comply with agreed delivery dates will be subject to change and (where possible) the proviso that the manufacturing process and standard transport arrangements are not disrupted. In the event of a force majeure situation (e.g. fire, explosion, floods), official measures or other unforeseeable circumstances (e.g. strikes, lock-outs, plant closures, public unrest, war) affecting our operations and/or those of our supplier plants, the delivery deadline will be suspended for the duration of the disruption and for the duration of any subsequent knock-on effects. Any of the above-mentioned events will entitle us to withdraw from the contract without any obligation to pay compensation and to halt deliveries without any obligation to make substitute deliveries.
7. We will be deemed to be in default if goods are not delivered within a particular date or deadline which was previously agreed, if a warning was issued upon failure to meet this date or deadline, and if an additional six-week grace period was granted without result. The buyer will only be entitled to lodge compensation claims based on delayed deliveries or cancellation of deliveries or to withdraw from the contract if an additional appropriate grace period was granted without result after we were found to be in default.
8. Once goods have been sold, any return of these goods is principally prohibited. In the exceptional event that we agree to the return of goods, the net cost price as originally calculated and invoiced will be credited. Also, we reserve the right to invoice the costs which have occurred due to the return by applying an appropriate flat-rate.
9. In the event that the buyer's financial situation deteriorates substantially, a statutory declaration has been made or a warrant issued to obtain a statutory declaration, the buyer experiences cash flow problems or (for example) the company changes owner as a result of cash flow problems, we will be released from the obligation to fulfil any current orders for delivery and entitled to halt all deliveries immediately unless the buyer agrees to step-by-step payment/cash-by-case payment. The same will also apply in the event that insolvency proceedings are initiated against the buyer, unless an agreement has been reached regarding ongoing deliveries of goods. The

buyer's entitlement to resell the goods subject to retention of title and to enforce the claims ceded to us will expire at the same time. In such cases the buyer must allow our agent to take any measures on the buyer's premises we deem appropriate and necessary to preserve and enforce the rights we hold in connection with the lien.

## V. Payment

1. Our invoices and credit notes are due for payment within 15 days of the invoice date unless otherwise stated on the invoice or credit note or in the contract. If the buyer is in default, all open claims will fall due for payment immediately, regardless of their due date.

No interest will be calculated on advance payments or payments on account.

2. In the event that payment by direct debit or SEPA direct debit has been agreed, the final amount shown on the invoice will be debited from the buyer's bank account on the basis of the mandate issued within the framework of the direct debit or SEPA direct debit procedure. The buyer hereby acknowledges that we will issue notification of the amount and the date on which it will be debited no later than 5 working days before the relevant date. This will allow the buyer to ensure that sufficient funds are available in the relevant account.
3. In the event that the buyer is in default with payments, we will be entitled to charge default interest at a rate of 9.2 percentage points above the European Central Bank's current base rate from the due date onwards, and to charge a flat-rate fee of EUR 40 as compensation for any collection costs. This will not affect our right to claim further compensation based on default. This will not affect the buyer's right to prove lack of responsibility pursuant to Section 456 sentence 3 UGB with the consequence described in Section 1000(1) of the Civil Code [Allgemeines Bürgerliches Gesetzbuch, ABGB].
4. In the event that part payments have been agreed, the whole sum will fall due for payment immediately in the event that the buyer is in default with a single part payment.
5. Payments will only be deemed to have been made in a timely manner if the amount due has been credited to our bank account on the last banking day before the deadline. No interest will be calculated on advance payments or payments on account. In the event that payments are made by cheque under the conditions set out below, the deadline will only be deemed to have been met if we have received the cheque by the last day before the deadline. The buyer will bear any risks associated with the payment method.
6. In the event of default, we will be entitled (among other things) to request the buyer, at the buyer's expense, to return goods which have not yet been resold (at the same time ceding the purchase price claim to us) or, again at the buyer's expense, to store the goods in a warehouse. We will furthermore be entitled to discontinue any deliveries to the buyer for the period of time during which the buyer is in default. Any claims to which the buyer is entitled will only fall due for payment after the retention procedure has been duly completed.
7. If the buyer is in default with one or more payments, any payments made will first be used to cover the costs already accrued, then to cover any default interest incurred, and then offset against the oldest debt; any purported payment allocations will be disregarded.
8. We will be entitled to charge to the buyer any judicial and extra-judicial costs incurred by us which relate to the outstanding liability and for which the buyer is responsible
9. In the event that the buyer wishes to sell or cede to a third party, on the basis of factoring or another form of debt purchasing (hereinafter "factoring"), amounts outstanding which relate in whole or in part to the sale of our goods, the buyer will be obliged to notify us thereof in advance and to obtain our consent.

Any claims to which the buyer is entitled vis-à-vis the factor on the basis of the factoring transaction must therefore be transferred to us immediately in the amount of the relevant balance.

If we have reason to believe that our claims or rights of security may be impaired or at risk, we may at any time notify the factor of the rights of security arising to us under this section and request their settlement. If the claims are sold or ceded without our consent, the buyer must compensate us for any associated damages.

If doubts exist regarding our entitlement to compensation in cases of this kind, the buyer undertakes to instruct the factor to pay or deposit the sums to be paid out in the amount of our balance into the custodian account stipulated by us until the relevant circumstances have been clarified.

The above conditions apply both to genuine factoring (where the factor bears the credit risk) and non-genuine factoring (where the default risk remains with the seller of the claims).

10. As a basic principle, we reserve the right to accept cheques and bills of exchange. We will not accept post-dated cheques. Bills of exchange will not be regarded as cash payments. Cheques will be regarded as cash payments if they are credited within the payment deadlines. Bills of exchange and cheques will only be credited if the full amount is duly received. The buyer will be liable for any costs and discount charges incurred, plus the relevant VAT. We will not assume any liability for correct presentation and submission of protests. In the event of a bill protest or other payment default, any claims for goods initially offset against bills of exchange falling due for payment at a later date and any other claims will fall due for payment immediately.
11. We reserve the right to request a direct debit mandate (V.2), advance payment, cash on delivery or cash payment for our deliveries on a case-by-case basis.

12. We reserve the right to withdraw credit previously granted, inter alia within the payment deadlines granted on the basis of these terms and conditions of payment, in cases where we have reason to believe that our claims or our rights of security are at risk. We will also be entitled to request at any time provision of a surety which we deem adequate. If the surety is not provided promptly upon our request, our claim will fall due for payment immediately.
13. The buyer will only be able to retain or offset payments on the basis of counterclaims which have been recognised by us and which are undisputed, final and absolute and legally established. Any right to payment or offsetting of turnover bonuses or other premiums and fee components will arise no earlier than one month after expiry of the relevant reference period. In particular, any such right will only arise when all claims which are due for payment have been settled by the buyer.

## **VI. Electronic data interchange**

1. We will be entitled to offer the buyer the option of handling payments using electronic data interchange (EDI) procedures instead of paper-based procedures within the framework of our e-business portfolio. This will involve the production and forwarding of electronic invoices pursuant to Section 11 of the VAT Act [Umsatzsteuergesetz, UStG] and electronic credit notes (hereinafter “**e-invoices**”). Any such e-invoices will replace the original invoices/credit notes previously issued as hard copies and will meet the statutory requirements which apply to e-invoices, in particular the EU Invoice Directive 2021/45/EU and VAT Act.
2. Provided that the original invoices and/or credit notes have been created and forwarded as hard copies, the buyer will be notified in writing about the relevant particulars before the changeover takes place (e.g. administrative details, implementation timeframes, third parties involved, storage location).  
The buyer hereby consents to the forwarding of e-invoices by MRW or third parties acting on MRW's instructions and the associated terms and conditions, and will take the necessary technical measures to ensure that the e-invoices can be accessed as agreed.

## **VII. Retention of title and rights of security**

1. We will retain the title to all goods delivered by us until all claims (including conditional and future claims) arising vis-à-vis the buyer on the basis of the business relationship have been settled.  
The same will apply if we stand surety vis-à-vis third parties in connection with the business relationship. Enforcement of a retention of title will only be deemed equivalent to a withdrawal from the contract if we have expressly declared this to be the case.
2. In the event that our retention of title is enforced, and irrespective of the buyer's payment obligation, we will be entitled to credit the goods which have been taken back
  - a) at market price (= resale proceeds which can be achieved), or
  - b) in accordance with IV.8. after deducting the value reduction.

In all such cases we will be entitled to deduct from the credit note the costs we have incurred in connection with taking the goods back, at a rate of 10 % of the amount credited. The buyer will remain at liberty to prove that the value was reduced by a lesser amount and that fewer costs were incurred in connection with taking the goods back.

3. In the event that the goods subject to retention of title are joined, mixed or combined with products not delivered by us, and for the purpose of reducing the burden of proof, our co-ownership share of the products in the buyer's possession will be calculated by placing any of our products received within the six months before enforcement of our rights to retention of title in proportion to the products delivered within the same period by a third party. This will not affect the buyer's right to provide evidence of a different co-ownership share.
4. The buyer must insure the goods subject to retention of title adequately, in particular against fire and theft. Insurance claims based on a loss involving the goods subject to retention of title are hereby ceded to us at replacement value. The buyer must keep appropriate business records of the cession and notify us immediately. The buyer must inform the insurance company of the cession of claims and the existence of a retention of title. We will be entitled to notify the insurance company thereof ourselves.
5. Until full settlement of all liabilities within the meaning of VII.1., the buyer hereby cedes the claims against customers arising on the basis of resale of the goods subject to retention of title, in full and with all ancillary rights.
6. In the event that the goods subject to retention of title are invoiced by the buyer together with other goods which do not belong to us or together with services, it is hereby agreed that cession of the purchase price claim pursuant to VII.5 will take place at the amount charged to the customer by the buyer for the goods subject to retention of title, including VAT; if the individual price of our goods subject to retention of title is not listed separately on the invoice, the cession will take place at the amount calculated by us as the price charged to the customer by the buyer at the time of delivery.

If the buyer provides a service in connection with sale of the goods subject to retention of title, such as fitting, balancing or similar, and if the service and the goods subject to retention of title are not listed separately on the invoice, i.e. the value on the invoice is the overall price, the entire claim will be deemed to have been ceded to us.

7. The buyer will only be entitled and authorised to resell or otherwise reuse the goods subject to retention of title under the proviso that the aforesaid claims are transferred to us and that the name of our brand is displayed on the buyer's invoice copies, delivery notes or other documents. In particular, the buyer will be obliged to include any cession of claims agreed with us in the business records, with specific reference to the claim to which the cession relates, the date and the cessionary, and to notify us on a regular basis of the third-party debtors to whom the goods subject to retention of title have been resold.

8. The buyer will be entitled to collect the claims arising on the basis of resale in spite of the cession. This will not affect our right of collection. We can revoke the authorisation to collect claims if the requirements referred to in VII. 9. and 10. are met.
9. In the event of a payment default or if we have other reasons to believe that our rights of retention are at risk, we can enforce the rights of security referred to in this section. In such cases the buyer will be obliged to provide the information necessary for us to enforce these rights and to hand over the necessary documentation, in particular delivery notes, invoices, inventory lists etc.
10. The buyer must notify us immediately of any attachment or other impairment of our rights of retention or rights of security by third parties, and confirm these rights both to third parties and to us in writing.  
The buyer is prohibited from any attachment of these rights and from any assignment or transfer of the security.
11. In the event of a payment default or if we have other reasons to believe that our rights of retention and our rights of security are at risk, the buyer must, upon our request, notify his customers of the cession referred to in VII.5 above; the manner of notification must not be restricted to the inclusion of the relevant information in the business records.
12. If the total value of our rights of security exceeds our total claims on a sustained basis by more than 20 %, we will be obliged, upon request by the buyer and at our discretion, to release certain rights of security; the invoice value of the goods will apply with regard to goods subject to retention of title.
13. The buyer hereby acknowledges that according to customary commercial practice, the designation (e.g. tyre number) of goods for which a right of retention of title has been enforced is not included in delivery papers and billing documents or on the product itself, and no proof of title thereto must be kept.

### **VIII. Warranty**

We assume warranty for the goods and services we deliver only under the following conditions.

1. In the event that we are liable for defects, we will render subsequent performance, either through free elimination of the defects or re-delivery, at our discretion.
2. In cases where we decide that defects can be duly eliminated through repairs, we reserve the right to make the relevant repairs instead of delivering a replacement.

In the event of a failure to render subsequent performance or deliver a replacement, the buyer can request a reduction in the purchase price or withdraw from the contract; this will not affect the right to demand compensation in place of performance.

3. By way of replacement for a tyre or inner tube affected by a significant defect, a tyre or inner tube will be delivered in exchange at the price valid on the date of the replacement delivery plus VAT. If the other party to the transaction is a business, we reserve the right to offset an appropriate sum for benefit of use, taking into account the remaining tread depth. Any products replaced by means of a replacement delivery will be transferred into our ownership.

All tyres will be delivered on the suspensory condition that the delivery contract in respect of the tyre will be annulled upon use of the tyre for the warranted purposes. When this condition is met, i.e. as soon as the dealer removes a replacement tyre from the warehouse in order to use it for the warranted purposes, the delivery contract in respect of this tyre will be cancelled. In individual cases where a warranty obligation has been rejected, the suspensory condition in respect of the tyre used in the relevant individual case will be deemed to have been inapplicable from the outset.

None of the size-related or technical information we provide (e.g. dimensions) and none of our promotional statements should be deemed equivalent to a guarantee of warranted properties.

4. Warranty claims will be excluded and defects will not be deemed attributable to us if:
  - a) the tyre has been repaired, retreaded or otherwise worked on by parties other than us,
  - b) the damage is attributable to improper handling, tread modifications carried out improperly either in-house or by third parties, notches, etc., or an accident,
  - c) the tyre has not been inflated to the required air pressure or the air pressure prescribed by us in the latest version of our technical documentation,
  - d) the tyre has been subject to excessive and irregular loads, e.g. the permitted load for each individual tyre size and the associated driving speed have been exceeded,
  - e) the tyre has been damaged as a result of an incorrect wheel position or the tyre's performance has been impaired through other wheel arch faults (e.g. dynamic imbalance),
  - f) the damage to the tyre is attributable to rims which are not true to gauge, which are defective or which are rusty, or the tyre has been placed on a rim other than that stipulated according to the relevant technical data,
  - g) the tyre has been damaged as a result of external impacts or mechanical damage, or has been exposed to excessive heat,

- h) the factory number or the manufacturer's mark is no longer visible,
  - i) the reduction in value or suitability of the product is insignificant.
5. Warranty claims will expire two years after delivery of the goods to the buyer.
  6. We assume warranty within the meaning referred to above in respect of tyre retreadings, tyre repairs and other subsequent tyre-related operations in so far as the liability relates to services which we have rendered. We cannot assume any further warranty since the activities in question involve used materials.
  7. The buyer must comply with our recommendations in respect of storage, tyre choice, fitting, inflation, air pressure, use/restrictions on use, checks, repairs or similar and in respect of maintenance of the tyres. The buyer will notify his customers of our recommendations. If these customers are not end consumers, the buyer will pass on these information obligations to them.
  8. The buyer hereby undertakes to ensure that all MICHELIN Remix and LAURENT® retread tyres offered for sale are labelled as such; in particular, they must not be offered for sale as new tyres. The buyer also undertakes to provide customers with an explanation of the exact characteristics and technical details of the goods.
  9. The buyer's employees must be provided with training on how to handle our products. The buyer must ensure that repairs (e.g. repairs of damaged tyres or welding procedures involving the wheel) are only carried out after removal of the wheel/tyre unit.
  10. Further details in this respect can be found in our technical documentation or on the Internet at [www.michelin.at](http://www.michelin.at) and [www.business.michelin.de](http://www.business.michelin.de).
  11. When handing the product over to an end customer, the buyer will be obliged to observe the technical guidelines and operating instructions, to provide customers with information regarding these guidelines and instructions and to impose an obligation to ensure that this information reaches the end customer.
  12. Buyers are entitled to assert warranty claims ("complaints") with regard to our products. The claim shall be made by telephone, via MyPortal and to the field service as follows:
    - a) All mandatory information about the claim must be complete and correct. This includes the assurance that the product in question was only driven with the vehicle specified in the claim.
    - b) The buyer shall name a dealer as the contact for processing the claim.
    - c) After checking the details, we shall decide whether to inspect the products. For this purpose, the products will be collected by us or by a forwarding agent commissioned by us after consultation with the dealer named for processing. Collection shall be at the risk and expense of the sender.
    - d) For the purpose of a correct inspection, we are authorised to cut or slice the claimed tyre. An inspected tyre becomes our property in the event of a credit note or other replacement.
    - e) If a claimed tyre is not inspected despite compensation - as a gesture of goodwill and without recognition of a legal obligation - it shall remain the property of the product owner. As the owner of the tyre, he shall also be responsible for the proper disposal of the tyre.

Before asserting warranty claims, the buyer shall ensure and warrant that the owner of the product

- a) has agreed to the above information in accordance with Clause 12a),
- b) has agreed to the transfer of ownership to us in the event of a credit note or other replacement,
- c) has consented to the transfer of his personal data to us and to the processing thereof for the purpose of handling the claim, and
- d) has fully agreed to the present terms and conditions for the assertion of warranty claims pursuant to clause 12.

## **IX. Liability**

1. Regardless of the basis for liability (e.g. non-performance, impossibility of performance, default, active breach of contract and infringement of obligations during contractual negotiations, tort, settlement among debtors etc.), any claims for compensation by the buyer will be excluded unless specifically regulated below in this section.
2. The above exclusion of liability will not apply:
  - a) in the event of liability under the Product Liability Act or in the event of damages associated with injury to life, personal injury or injury to health resulting from deliberate or negligent dereliction of duty by us or by one of our legal representatives or vicarious agents,
  - b) in the event of other damages resulting from deliberate or grossly negligent dereliction of duty by us or by one of our legal representatives or vicarious agents, with the proviso that any such liability (except in cases where the damages are caused deliberately) will be limited to the damages foreseeable and typical for such cases,
  - c) in the event of other damages attributable to slightly or ordinarily negligent dereliction of duty or a breach of a material contractual obligation by us or by one of our legal representatives or vicarious agents, with the proviso that any such liability will be limited to the damages foreseeable and typical for such cases; material contractual obligations are obligations whose fulfilment is necessary for proper execution of the contract and can typically be expected by the contractual partner.

3. These provisions on liability will also apply to the personal liability of our legal representatives and employees and other vicarious agents.

## **X. Data protection**

Michelin Reifenwerke AG & Co. KGaA collects and processes personal data in accordance with the principles and on the basis of the EU GDPR and the Federal Data Protection Act [Bundesdatenschutzgesetz, BDSG]. Personal data to which MRW gains access in connection with the business relationship will therefore be used exclusively for the specified purposes and to execute the contractual relationship entered into by MRW.

Data subjects have a right of information, a right of correction, a right of objection, a right to restrict processing and a right to erasure or transfer of their data. Data subjects wishing to exercise these rights and request information about the data stored about them can contact the following data controller: Michelin Reifenwerke AG & Co. KGaA, FAO: the Data Protection Officer, Michelinstrasse 4, 76185 Karlsruhe, datenschutz@michelin.com.

The right of appeal can be exercised by contacting the Baden-Württemberg Data Protection Officer.

For the purpose of executing the contract, MRW will forward personal data to its service providers and/or to the companies affiliated with it within the meaning of stock corporation law (group companies). Transfers to third countries take place solely on the basis of an adequacy decision by the EU Commission; the use of standard clauses in the relevant supplier contracts; subject to appropriate safeguards (Article 46 EU GDPR) or binding corporate rules (Article 47 EU GDPR); the exceptional circumstances referred to in Article 49(1)(2) EU GDPR (if the requirements of Articles 46 and 47 EU GDPR are not met); an individual approval from a supervisory authority. The buyer can contact the company's data protection officer for further information on these transfers.

Any personal data relating to MRW or a Michelin company based in Germany or third parties to which the buyer gains access in connection with the order may only be processed and used for the purpose of executing the contractual relationship and on the basis of Article 6(1) EU GDPR (or Article 9 EU GDPR). The data may not be forwarded to third parties.

The buyer hereby undertakes to take all the technical and organisational measures necessary for data protection and data security. The buyer's employees must undertake to keep the data confidential.

The data protection policy of the data controller (MRW) otherwise applies: <https://www.michelin.de/informationen/datenschutz>.

## **XI. Trade Sanctions**

1. Customer shall comply with all applicable laws and regulations with regard to the supply, sale, transfer, export, re-transfer, or re-export of the Products, including but not limited to those relating to trade sanctions and export controls, for the avoidance of doubt, all applicable laws and regulations include those originating out of the United Nations, the European Union, the OSCE, or the United States of America (altogether defined hereafter as "Trade Restrictions").
2. Michelin Group Position  
Customer shall respect the Michelin Group Position, which may contain more restrictive provisions than the Trade Restrictions as defined below.  
These Group Positions are based on commercial considerations and other compliance concerns, including but not limited to money laundering and corruption concerns and concerns related to the financing of terrorism. These Group Positions apply to the Products sold as spare parts or incorporated in a higher-level assembly (such as fitted unit, a ground vehicle, a plane, etc...). The list of countries to which the Michelin Group refuses and prohibits any direct or indirect sales (including transit across these countries) is as follows: Cuba, Iran, North Korea, Syria. Michelin reserves the right to regularly update this list of countries.
3. Customer shall only supply, sell, transfer, export, re-transfer, re-export, otherwise make available or use Products as permitted by applicable law and shall not supply, sell, transfer, export, re-transfer, re-export, or otherwise make available, either directly or indirectly, any Products:
  - a. to any individual, entity or body resident, located, registered, incorporated, domiciled or head-quartered in any jurisdiction targeted by applicable Trade Restrictions;
  - b. to any "Restricted Person": Restricted Person shall mean any individual, entity or body either:
    - i. specifically designated or listed under Trade Restrictions;
    - ii. owned or controlled by any person specifically designated or listed under Trade Restrictions; or,
    - iii. acting for or on behalf of any person specifically designated or listed under Trade Restrictions and
  - c. for any use, purpose or activity which is prohibited or otherwise restricted under Trade Restrictions.
4. Where Michelin has reasonable cause to suspect that any Product may be or has been supplied, sold, transferred, exported, re-transferred, re-exported, otherwise made available to any jurisdiction targeted by applicable Trade Restrictions, or to a Restricted Person, or for any use, purpose or activity which is prohibited or otherwise restricted under Trade Restrictions, we reserve the right to:
  - a. immediately suspend its performance;
  - b. request further information or documentary evidence from the Customer, including but not limited to:

- i. any licences, authorisations, permits, or approvals obtained by the Customer with respect to the supply, sale, transfer or export of the Products;
  - ii. any End User Certificates or Undertakings supplied to the Customer;
  - iii. any shipping or commercial documentation, including: invoices; or, bills of lading,
  - iv. in order to verify the end use(s) or end user(s) of the Products;
- c. take any other appropriate measure regarding its commercial relationship with the Customer.
5. Customer certifies that neither Customer, nor any of the Customer's Group Companies, nor any of their respective directors or officers is a Restricted Person. Customer shall immediately notify MRW if Customer, or any of the Customer's Group Companies, or any of their respective directors or officers becomes a Restricted Person. Furthermore, Customer shall immediately inform MRW if Customer is or become aware or has reasonable cause to suspect that either the Customer, or any of the Customer's Group Companies, or any of their respective directors or officers may become a Restricted Person.
6. In the event that any Product supplied by MRW is re-supplied, re-sold, re-transferred, re-exported, re-distributed or otherwise made available to any third party, Customer shall take all actions reasonably necessary to ensure that such third parties: (a) Comply with any applicable Trade Restrictions and Michelin Group Positions; and, (b) Do not cause Michelin to directly or indirectly violate any applicable Trade Restrictions or Michelin Group Positions.
7. Customer shall indemnify and hold harmless MRW from and against any losses, costs, claims, causes of action, damages, liabilities and expense, including attorneys' fees, any expense of litigation or settlement, and court costs, arising from any noncompliance with Trade Restrictions or Michelin Group Positions by Customer. Customer shall be responsible for any act or omission of Customer, its officers, employees, affiliates, agents, suppliers, or subcontractors at any tier, in the performance of any of its obligations under this clause.

## **XII. Ethics and compliance**

1. The buyer hereby undertakes to take the necessary measures to fight any form of bribery and corruption within the framework of the business relationship and to comply with the relevant statutory provisions.
2. The buyer hereby confirms an undertaking to refrain from the following:
  - a) holding out the prospect of, offering, promising or giving gifts, donations or other inappropriate financial or other advantages, either directly or indirectly, to any of our employees tasked with preparing, concluding or executing the contract or the supply relationship, or to any persons related to them,
  - b) committing or being involved in the criminal offences covered by Section 168b of the Criminal Code [Strafgesetzbuch, StGB] (agreements restricting competition in procurement procedures), Section 304 StGB (passive corruption), Section 307 StGB (active corruption), Section 307a StGB (undue gifts), Section 307b StGB (undue gifts aimed at influencing others), Section 309 StGB (acceptance of gifts and bribery of employees or authorised representatives), Section 10 of the Act against Unfair Competition [Gesetz gegen den unlauteren Wettbewerb, UWG] (bribery of employees or authorised representatives), Section 11 UWG (misappropriation of business or operating secrets) or Section 12 UWG (abuse of confidential documentation).

The above obligations also apply to all subsidiaries, salaried employees, directors, employees paid an hourly wage or office holders of the buyer and to all third parties involved in the contractual relationship.

3. In the event of a breach of the obligations referred to in paragraph 2, and notwithstanding any other rights of termination and withdrawal, we will be entitled to extraordinary termination of the contract and breaking off of all negotiations.
4. The buyer will be responsible for compensating us for any damages incurred by us as a result of a breach of the obligations referred to in paragraph 2 in cases where said breach is attributable to the buyer.

## **XIII. Miscellaneous**

1. The place of performance and court of jurisdiction for all disputes will be Vienna.
2. Austrian law will apply exclusively. Application of the United Nations Convention on Contracts for the International Sale of Goods is hereby excluded; the same applies to conflict of laws rules.
3. Any products, models, templates, calculations, logos (word and figurative marks), texts, images, graphics, animations, videos, music, sounds and other materials handed over by us within the framework of cooperation will be subject to copyright and other intellectual property laws and will in each case be protected, in whole and in part, by industrial property rights and copyright/trademark law. All the rights to the above are reserved by us and our affiliated companies.  
The Michelin Group's guidelines on correct use of trademarks apply; these guidelines are known to the buyer, can be accessed at <https://www.michelin.de/>, or are available from us upon request.
4. The buyer hereby undertakes to treat as a trade secret all commercial, operating and technical information which is not in the public domain and to which access is granted in connection with the business relationship. In the event that we are subject to a duty of confidentiality, this will not apply to companies affiliated with us within the meaning of Section 15 of the Stock Corporation Act [Aktien-gesetz, AktG].
5. The markings and numbers on our products must not be modified or made illegible, either in whole or in part, and products whose condition has deteriorated in any way since delivery or which have been modified in a manner which contravenes our technical stand-

ards may not be resold. The buyer hereby undertakes to sell the goods as classified by us (e.g. renovated, repaired, seconds). The buyer also undertakes to provide customers with an explanation of the exact characteristics and technical details of the goods. We reserve the right to make technical alterations. When handing the product over to an end customer, the buyer will be obliged to observe the technical guidelines and operating instructions for the goods we have supplied, to provide customers with information regarding these guidelines and instructions and to impose an obligation to ensure that this information reaches the end customer.

6. As a basic principle, agreements made orally or by telephone must be confirmed in writing in order to take legal effect. Oral agreements will only be permitted on an exceptional basis. In the event that oral agreements are made, the parties must do everything in their power to forward subsequent written confirmation of the agreement. We will only be bound by written declarations if they have been issued by senior executives or sales directors clearly authorised to do so on the basis of our entry in the commercial register, or by an employee authorised by power of attorney to issue the declaration.

In the event of an infringement, we will be entitled to terminate existing contracts on an extraordinary basis or to withdraw from them and to cancel all negotiations.

7. In the event that individual provisions of these General Terms and Conditions of Business are found to be invalid, null and void or contestable, either in whole or in part, this will not affect the validity of the remaining provisions. Any invalid provision will be replaced with an alternative valid provision which corresponds as closely as possible to the meaning and intent of the original provision.
8. In the event of ambiguity or contradictions between the different versions of the General Terms and Conditions of Business (German and English), the original German text will apply.