	General Tooling Agreement Appendix III to Vendor Manual	Creation date: 03.2019
		Revision status: 1.0 / 03.2019
		Issuing Department: Purchasing

This Agreement governs the rights and obligations of _____ (“Supplier”) and Nexans autoelectric of America Inc (“aeA”) with respect to transfer of possession of machinery, tools, jigs and fixtures, molds and inspection, measuring and test equipment (referred to below as “tools”) to the Supplier for the purpose of making parts for aeA. It supplements aeA’s General Terms and Conditions of Purchase located at (https://www.autoelectric.com/en_us/supplierportal/downloads/) in the version current at the time of entering into this Agreement and shall override the latter in the event of contradiction.

1. Tool costs

The following provisions apply to tools built by the Supplier itself or by a third party:

The tools shall be designed to guarantee the minimum output required by aeA. The exact output will be specified in the blanket purchase order.

The full costs of the tools are firm prices and include samples (20 samples per tray or at least 50 units) as well as two optimization loops. An optimization loop refers to tool improvement from a functional and production point of view.

Along with the acknowledgment the Supplier shall submit a cost breakdown as described in the general agreement and a schedule (in MS Project 2000 format or equivalent) containing at least the milestones indicated in Annex 1.

Milestones shall be checked every two weeks without being requested by aeA. Confirmation of progress shall likewise be sent to aeA every two weeks, with comments on any deviations from the project schedule. In particular, it must be stated whether deviations occurring are critical as regards meeting the final deadline and what corrective action has been taken to meet the scheduled deadline.

2. Ownership of tools

All tools paid for by aeA shall be deemed borrowed from aeA and shall become aeA’s property irrespective of whether placed at the Supplier’s disposal by aeA, built by the Supplier itself or procured from a third party.

If tools are built by the Supplier on behalf of aeA or procured from a third party, ownership shall pass to aeA at successful approval of the samples and settlement of the tool costs. The Supplier shall use the forms in accordance with VDA or QS 9000 for first samples and revision samples. Tool costs will be paid 14 days after approval and transmission of all the details mentioned in the blanket order necessary for tool billing. Sampling will take place at agreed location (aeA's premises, supplier site, etc.).

Upon completion and/or take-over of the tools the Supplier shall send in a transfer record in accordance with Annex 2 hereto. This shall contain a full description of the tools including component parts and accessories. The record shall be signed as legally binding by the Supplier or an authorized representative. The record, together with the first sample test report, shall form the basis for approval.

Ownership shall comprise the tool itself along with the preliminary layouts and production design drawings (assembly drawings and component drawings) and the forming electrodes, if applicable.

No parts shall be produced for third parties using tools belonging to aeA without the express written consent of aeA.

3. Inventory / labelling

The Supplier shall take an annual inventory of tools belonging to aeA. The Supplier shall draw up a written inventory in accordance with Annex 3, including the tool acquisition costs. This inventory shall be agreed with aeA and countersigned by aeA,

Tools belonging to aeA shall be labelled as specified by aeA. The Supplier shall take all steps to prevent third party interference with aeA's property and shall inform aeA immediately if a third party lays claim to a contractual item.

4. Modifications to tools/ relocation

Modifications to tools and relocation to a place other than that agreed with aeA shall require aeA's written consent.

5. Upkeep / maintenance / repairs

The Supplier shall bear all the tool upkeep, maintenance and repair costs throughout the construction time (see clause 1 para. 1) up to the scheduled output.

If the tools are built by the Supplier itself or procured from a third party, the Supplier shall also bear the risk of the tools being or becoming partly or completely useless up to the scheduled output. If the Supplier is not able to assert warranty claims in respect of tools

because of not being the creditor of such claims, aeA shall assign such claims to the Supplier on request.

6. Insurance

aeA's tools shall be appropriately insured at replacement value against damage and loss. The Supplier shall produce proof of insurance to aeA on request.

7. Safety / prevention of accidents

The Supplier shall be responsible for the safety of the contractual items, their safe erection or installation and for keeping them in good order. The Supplier shall ensure that the accident prevention rules laid down by the appropriate occupational accident social insurance scheme are followed. The Supplier shall inform aeA if it is unable to remedy safety defects or to adapt the contractual items to the accident prevention rules.

aeA will accept no liability for damage due to safety defects in contractual items. The Supplier shall indemnify aeA from third party claims for damages in this respect pursuant to aeA's General Terms and Conditions and requirements in the Vendor Manual.

8. Inspection by aeA

aeA is entitled at any time during the Supplier's normal working hours to check that the provisions of this agreement are being observed. The Supplier shall assist aeA in this connection and shall in particular have the paperwork relating to the tools available for inspection, such as documentation, maintenance and repair records.

9. Expiry of agreement

The Supplier shall preserve the tools at no charge for at least 15 years after the end of series production of the parts made with those tools in order to cover aeA's parts requirements and shall keep them ready for use at any time. The Supplier shall duly advise aeA in writing of the approaching expiry of the preservation period. In any case the tools shall not be scrapped or otherwise disposed of, even after the end of series production, without aeA's prior written consent.

aeA is entitled to ask for restoration of some or all tools in the Supplier's possession without stating the reasons. In such a case the Supplier shall in principle be granted an appropriate time for restoration in order to complete current orders.

aeA is entitled to ask for restoration of tools with immediate effect if the Supplier is unable to guarantee the quality, quantity or date of deliveries required by aeA or in case of significant deterioration of the Supplier's financial position.

The Supplier shall not exercise any rights of retention in response to a request for restoration from aeA. This shall apply even if the Supplier has claims against aeA based on the business relationship.

10. Termination

This Agreement may be terminated in writing by either party with six months' notice at the end of a quarter. aeA's right to restoration of tools without delay shall not be affected by termination of this Agreement.

11. Written form / miscellaneous provisions

Amendments and additions to this Agreement shall be made in writing. This written form requirement may only be waived in writing. This agreement shall remain effective even if aeA disposes of ownership of the tools to a third party.

With regard to the choice of law, jurisdiction and saving clause, reference is made to aeA's General Terms and Conditions of Purchase.

This Agreement (together with aeA's General Terms and Conditions of Purchase, located at https://www.autoelectric.com/en_us/supplierportal/downloads/, constitutes the general terms and conditions applicable to tooling arrangements between Supplier and aeA.

The Parties may further enter into a Specific Tooling Agreement. The terms and conditions of any such Specific Tooling Agreement shall prevail over any other terms and conditions in the event of contradiction in terms.

Date: _____

Supplier Signature: _____

Print Name: _____

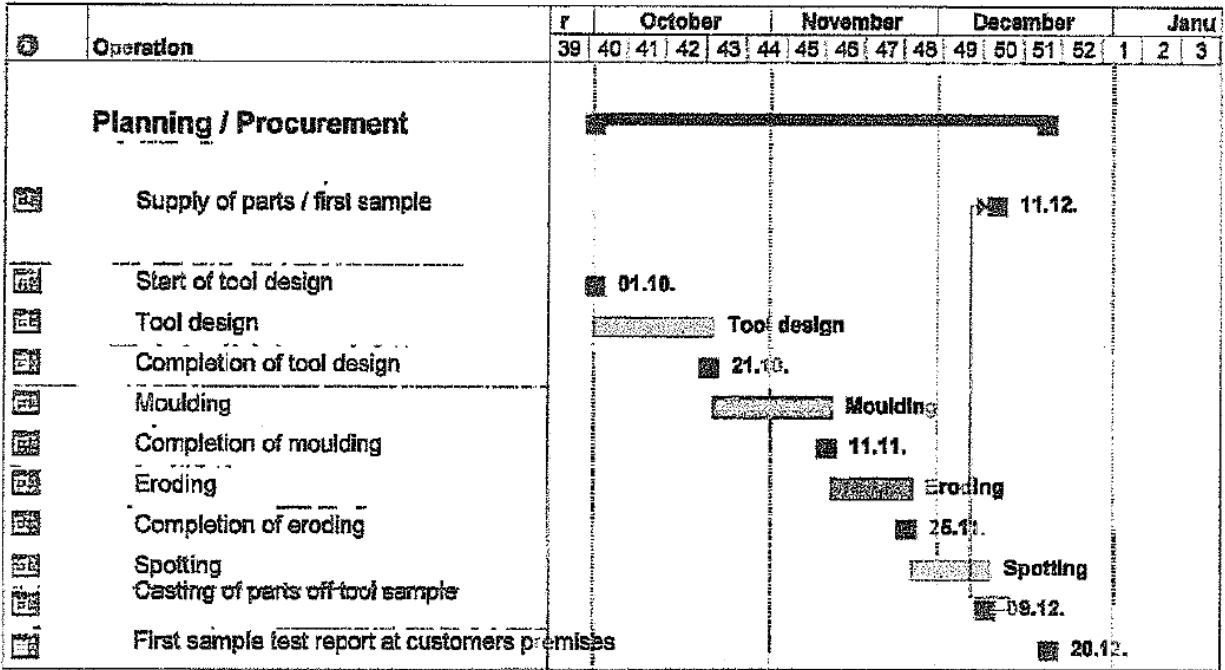
Date: _____

Signature: _____

Print Name: _____

autoelectric of America, Inc.

Annex 1: Example of a Schedule



Annex 2: Transfer Record

Page ____ of ____

Company Name: _____

Address: _____

Postcode and town: _____

Country: _____

aeA blanket order number: _____

Equipment used to make material number: _____

Drawing number _____ Index _____

Part designation: _____

Inventory number: _____

Tool designation: _____

Description of equipment components (alternatively, photographs or parts lists can be enclosed):

E.g. tool, electrodes, etc.
Quantity of equipment:
Price of equipment:

The equipment has been described in full, exists as documented, is undamaged and is located at the place mentioned below.

(Place, date, signature)

(Place, date, signature)

This record should be forwarded to the appropriate Purchaser upon completion / transfer of the tool.

Annex 3: Inventory of Tools

Serial No.	aeA material no.	aeA drawing no.	Tool no. Supplier	Inventory no.	Year of construction	Acquisition cost	Notes
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(Place, date, signature)

(Place, date, signature)