

General Delivery Terms

Please note: The present document is a translation of the German original. In case of any discrepancies, the German version shall prevail.

1. Introduction

1.1 Purpose and scope of application

The present General Delivery Terms contain general rules between the supplier and General Dynamics European Land Systems - Mowag GmbH [GDELS-Mowag], which are intended to ensure a smooth material flow.

The supplier must comply with the General Delivery Terms and observe any national and international regulations.

If a document or other written agreement associated with the product specifies the subject of packaging, labeling and marking, this shall have a higher priority than the present General Delivery Terms.

In the event of non-compliance with these General Delivery Terms, the supplier may be requested to take corrective action. In addition, the supplier may be held liable for any additional costs incurred in connection with repackaging, handling goods or waste disposal, as well as for quality losses due to inadequate or soiled packaging.

2. Shipping papers and documents

If no clear identification can be carried out due to missing information on the shipping documents, GDELS-Mowag reserves the right to refuse acceptance and to charge a lump sum for administrative expenses.

2.1 Delivery note

The delivery note must contain the following data fields:

- GDELS-Mowag order number
 - GDELS-Mowag order item number
 - GDELS-Mowag material number(s)
 - Material name/designation
 - Delivery quantity
 - Delivery point (as defined in the purchase order or by another agreement)
 - Type and number of individual load carriers/packaging (Euro pallets, disposable cardboard, etc.)
 - Total gross weight incl. unit
 - Supplier name and address, POC for queries/questions
 - Delivery note number and date
 - Type of shipment (e.g. by truck)
 - Shipping conditions / Incoterms (e.g. FCA)
 - A note in case the material is reworked/repainted and, if available, the GDELS-Mowag Complaint Number
 - special information, e.g. information according to order for materials with limited time of use (production date), batch number incl. certificate number, serial number, return orders (returns), shifted center of gravity, reference to any test certificate/ initial sample test report supplied (see para. 4.3b)
- a) Additional documents (e.g. UL specification, test certificates, initial sample documents, test reports, batch test certificates, deviation permits/concessions, etc.) must be attached to the delivery note for each shipment and listed therein.
- b) The delivery address stated on the GDELS-Mowag order or otherwise agreed upon must be used. Costs incurred due to non-compliance will be invoiced to the supplier.
- c) Two copies of the delivery notes must be provided, one inside and the other outside (visible, protected) the packaging.

2.2 Consignment note

- a) The supplier must provide the freight forwarder with one consignment note for each point of delivery. Special features relating to the packaging, e.g. non-stackable, must be indicated.
- b) To ensure traceability, the delivery note number and GDELS-Mowag order numbers must be stated on the consignment notes.

- c) If Europool load carriers are used, type and quantity must be stated on the consignment note.
- d) The corresponding delivery notes shall be attached to the consignment note. Consignment notes including delivery notes are to be handed over to the carrier separately.
- e) Another copy of the delivery note must be durably attached to the outside of the load carrier/packaging (for position see 4.3a). It must be clearly visible and protected against damage.
- f) In the case of self-delivery, a delivery note is not absolutely necessary, but is recommended for swift processing in the goods receipts departments.
- g) Special features of the packaging (e.g. shifted center of gravity) shall be indicated.

2.3 Test reports and certificates

Test certificates, material certificates, works certificates, CoC, test reports or other certificates must be sent as part of the goods delivery on the day of delivery or rather before goods receipt by email to zeugnisse@gdels.com, stating the GDELS-Mowag order number.

2.4 Language of documents

Documents, labels and the delivery documents intended for the identification of the consignment must be written in German or English. If legal regulations (e.g. customs regulations) require a different language, a German or English translation must be added.

2.5 Customs documents

For import procedures, a delivery note and consignment note (road: CMR transport document, air: AWB, sea: bill of lading) are required:

- Commercial invoice or, in case of free delivery, customs invoice
- Original documents certifying the preferential origin of goods (only if the goods come from a country that has concluded an agreement with the EU), such as ATR, EUR.1, UZ Form A etc.

The commercial or customs invoice must be issued five times (2 x for the forwarding agent, 1 x on the packaging, 1 x in the packaging, 1 x by e-mail to the GDELS-Mowag customs office - import.mowag@gdels.com) and must contain the following details:

- Headline: Commercial invoice or customs invoice
- Invoice number and date
- Seller, buyer and consignee addresses
- Forwarding agent
- Port of departure/destination
- Incoterms and terms of payment
- GDELS-Mowag order number
- GDELS-Mowag material number(s)
- Material name/designation
- Quantity
- Type and number of packages
- Indication of origin
- Net and gross weight
- Commodity code or HS code
- Unit price and total price or the note "for customs clearance only; do not make any payment!"

The copy for the GDELS-Mowag shipping department must arrive before the goods.

3. Material protection and packaging

3.1 Material protection

Material or product packaging must be homogeneous. This means that different articles may not be combined in a single package.

General Delivery Terms

All materials must always be packed in such a way that they are suited for the respective type of transport and further carriage, and protected against:

- Corrosion (according to paragraph 3.2)
- Soiling
- Damage, in particular to functional or sealing surfaces
- Static charge (if applicable)
- Bending or breaking
- No tensioning straps or sets for sensitive parts or surfaces

The smallest possible packaging with the highest possible filling level must be selected.

Light, difficult to stack or easily slipping articles must be secured against shifting.

3.2 Corrosion protection packaging

All machined, polished or otherwise corrosion-sensitive surfaces must be adequately protected against corrosion. Raw and machined cast and forged parts in particular are extremely susceptible to corrosion and require special protection (e.g. VCI film).

The goods to be protected can be wrapped tightly in VCI paper or VCI film. Metal surfaces must be free of dirt. The material has to fit completely and tightly to prevent gradual gas leakage due to air exchange.

3.3 Specific material protection

Packaging requirements beyond general protection are defined by GDELS-Mowag in packing instructions for each material number and expressly agreed with the respective supplier in advance. Packing instructions are, therefore, not a replacement, but only a supplement to these general delivery instructions.

4. Labeling

4.1. Labeling of packages

According to VDA 4994 Labeling, the label on the package must contain the following data:

- o GDELS-Mowag order number (bar code, EAN type 128)
- o GDELS-Mowag material number (bar code, EAN type 128)
- o Material name and designation
- o Quantity per package (minimum font size 12 mm)
- o Unit (minimum font size 12 mm)
- o Date of packaging
- o Supplier
- o Delivery note number
- o Batch number (if available)
- o Production date (for articles with best before date)
- o Certificate number (if available)

In the case of non-stackable goods, shifted center of gravity and/or other special requirements (e.g. tie-down), a separate, clearly visible note in accordance with ISO 780 must be attached to the package.

Example of package label (acc. to VDA-4994 Labeling):

Order number: 4500162668-C013					
Material number: 1402684-001			Quantity / Unit: 1250 pc.		
140260000008400000000			Date of packaging: 20/01/2018		
Name/designation: Brake pad Eagle 4x4 / 4 x 60					
Supplier: XX Company			Delivery note number: 51712392-2018		
Batch number: 2018-4845		Production date: 04/01/2018		Certificate number: VE/161869	

4.2 Special requirements for multipacks

When delivered in collection containers, the individual material numbers shall be grouped in individually manageable subpackaging.

Collection containers may only contain packages for one delivery address.

4.3 Labeling of subpackaging

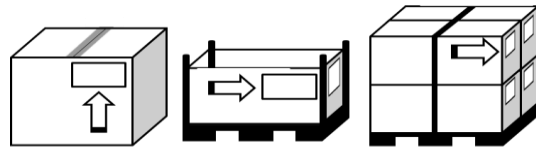
Labels on subpackaging must contain the following data:

- o GDELS-Mowag material number (bar code, EAN type 128)
- o Material name and designation
- o Quantity per package (minimum font size 12 mm)
- o Expiry date if required on the order or mandatory due to material-specific properties.

Example label for subpackaging/small load carriers:

Material number: 1402684-001		Quantity / Unit: 50 pc.
140260000008400000000		Date of packaging: 20/01/2018
Name/designation: Brake pad Eagle 4x4 / 4 x 60		
Batch number: 2018-4845	Production date: 04/01/2018	Certificate number: VE/161869

- The label must be attached to the side of the load carrier or the subpackaging and must be clearly legible:



- If a test certificate and/or initial sample test report is included in the material delivery, it shall be attached to the outside of the package in a visible and well-protected manner according to 4.3 a (see also paragraph 2.1a and 2.3 Test reports and certificates).

4.4 Miscellaneous

- To avoid the risk of confusion, any old labels (or residues thereof) still present on pallets or load carriers must be removed.
- If a material number consists of several materials, they shall be packed together as a single set and marked to indicate that they belong together. If joint packaging is not possible, the packages must be numbered clearly according to the following convention: "Package <x> of <y>" (e.g. "Material number 0098123, package 2 of 5"). In this special case, a packing list specifying the assignment of materials to packages and a packing list at package level must also be attached to the load carriers.
- The identification of GDELS-Mowag returnable packaging shall be placed in appropriate document pouches. GDELS-MOWAG returnable containers may not be labeled with adhesive labels.
- In the case of cartons, the label shall be applied acc. to 4.3 a).

4.5 Identification of products

The instruction "GDELS-Mowag-MP2305 Kennzeichnung Panzerwerkstoff" (Identification of Armored Material) applies to armored steel. Identification of safety-relevant components must be based on Mowag-MP2305, unless otherwise agreed.

All other parts must be identified with at least the following information in accordance with GDELS-MOWAG internal regulation I-D002V2, section 4.3.2:

- part number
- revision index
- production date
- creditor number

General Delivery Terms

5. Important procedures and practices

5.1 Handling

- a) Ensure the perfect condition of EURO pallets (1200x800 mm), pallet frames and EURO mesh box pallets in accordance with the exchange criteria of the European Pallet Association EPAL (Internet: www.epal-pallets.org). Other load carriers or EPAL accessories (e.g. frames for raised beds, stacking frames for 1,200 x 800 x 200 mm Euro pallets) are treated by GDELS-Mowag as disposable packaging materials. In general, EPAL load carriers are gradually exchanged by the transport company used.
- b) GDELS-Mowag reusable containers / load carriers (e.g. returnable containers, KLTs, mesh box pallets etc.) may only be used if this has been expressly agreed in the packing instructions for the respective material number.
- c) In the case of mixed consignments/collective packaging, different revision levels may not be combined in one package. Each material number must be packed separately and individual transport must be possible
- d) For materials with limited time of use, deliveries with different expiry or production dates within a package are not permitted. Restrictions of usability must be clearly and visibly stated on the outside. These materials are also subject to DIN 9088.
- e) Dangerous goods must be clearly and visibly marked on the outside of the package and the respective international directives/regulations apply. Dangerous goods may only be transported with forwarders who have valid ADR cards for their carriers and who are authorized to transport dangerous goods.
- f) Packages shall be assembled to form a transport-safe unit on the shipping unit and must be secured against slipping during transport. Suitable means for securing the load (e.g. strap eyes, lashing points) must be provided for this purpose.
- g) Load carriers and packages weighing more than 25 kg must have sufficient clearance below (at least 100 mm). A maximum weight of 15 kg applies to subpackaging/small load carriers. KLT and cardboard containers are limited to a maximum height of 1 m and a maximum weight of 1.5 t (provided the material geometry permits it).
- h) Return orders for returns must be made specifically for the order number generated or issued, may in no way be mixed with other regular orders, must be expressly marked, and indicated in writing on the delivery note.

6. Disposal of packaging

6.1 Handling

- a) When disposable packaging is used, its weight and size shall be kept to a minimum.
- b) In general, environmentally compatible and recyclable materials must be used for all packaging.
- c) Material combinations (e.g. iron staples, nails in wood) must be kept to a minimum and must be easy to separate after use.
- d) Packaging labels must not impair recyclability (no PVC stickers on cardboard).
- e) In general, no packaging will be returned, except if there are special agreements between the supplier and GDELS-Mowag (e.g. loaned containers listed in GDELS-Mowag packing instructions).

7. Miscellaneous

7.1 Exceptions

Deliveries deviating from these General Delivery Terms must be approved in advance by GDELS-Mowag **and** indicated in writing on the delivery note and the package(s).

7.2 Applicable regulations

- a) These General Delivery Terms do not absolve the supplier from compliance with valid legal regulations.
- b) If wooden packaging is used for deliveries from non-EU countries, the requirements of the IPPC ("International Plant Protection Convention") ISPM standard ("International Standards for Phytosanitary Measures") No. 15 must be observed.
- c) The General Terms and Conditions of Purchase can be viewed on the website of General Dynamics European Land Systems: https://gdels.com/supply_chain.php
- d) Organization of Delivery/Opening hours
General Dynamics European Land Systems Mowag
Abladestelle Tor 4/Gate 4, Unterseestrasse 65
CH-8280 Kreuzlingen
Monday through Friday 7:00 am – 11:45 am / 1:00 pm – 4:30 pm
Holenstein AG
Abt. Logistik/Logistics Dept. c/o GDELS-Mowag
Wilerstrasse 35c
CH- 9536 Schwarzenbach SG
Monday through Friday 7:30 am – 12:00 pm / 1:00 pm – 5:30 pm

7.3 Limitations of liability

The supplier is obliged to provide adequate packaging protection and the correct packaging type, even if the risks were agreed otherwise according to the international trade clauses (Incoterms).

GDELS-Mowag reserves the right to take recourse to the supplier in the event of damage or loss, insofar as these are caused by the absence of packaging or by defective packaging, as the correct packaging is an accessory obligation of the seller under the sales contract. Packaging is considered defective if it does not meet the quality requirements defined in the present Delivery Terms or specifically agreed otherwise. GDELS-Mowag considers defective packaging as a quality defect in the product.

7.4 Cognizance und consent by the supplier

These General Delivery Terms are part of every GDELS-Mowag order. The latest available version of the General Delivery Terms of GDELS-Mowag at the time the order is created shall apply. The applicability of other delivery regulations is excluded, unless otherwise agreed in writing. Any deviations from the General Delivery Terms must be approved in advance by GDELS-Mowag and specifically indicated in writing on the delivery note and the packages.

The supplier is liable for losses resulting from non-compliance with these guidelines. Likewise, any additional costs arising from deviations from the present Delivery Terms shall be borne by the supplier.

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General Dynamics European Land Systems-Mowag GmbH