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Introduction

1. Definition

The Mercedes-Benz Special Terms, hereinafter referred to as “MBST”, are provisions regulating the flow of information and smooth operation of processes between Daimler AG, hereinafter referred to as “DAIMLER”, and its suppliers.

In addition to DAIMLER’s “Purchasing Conditions for Production Material and Spare Parts for Motor Vehicles”, the MBST form part of the contract and are mentioned separately in the purchasing contract along with other provisions.

2. Publication

The relevant most recent version of the MBSTs is published centrally on the DAIMLER Supplier Portal under http://daimler.covisint.com prior to the start of contractual negotiations. In the event of significant legal or corporate changes/innovations, individual MBSTs may also be reissued during the year. The suppliers will be informed accordingly by DAIMLER.

Internal duplication is permitted and required for individual departments within the supplier companies.

3. Communication

Communication between DAIMLER and the supplier will take place in German or English unless otherwise agreed.

4. Validity of the German Version

The MBSTs are published in both German and English. In the event of discrepancies, only the German version is binding.

Daimler AG
Tools for Series Production Parts and Spare Parts Delivery

1. General

Tools under the terms of this MBST are original, forming and separating tools\(^1\) in accordance with the definitions of DIN 8580/8582/8588. No other production equipment is to be regarded as tools.

All regulations of this MBST are applied accordingly to tools at the premises of sub-suppliers or other third parties. The supplier is obligated to ensure that its sub-suppliers or third parties, at whose premises the tools are located, behave in accordance with this MBST and grant DAIMLER the rights formulated in this MBST. This particularly applies to the identification of the tools as the property of DAIMLER.

In terms of all jigs, fixtures and gages, DAIMLER shall obtain ownership of said jigs, fixtures and gages and all subsequent jigs, fixtures and gages by way of security in order to ensure delivery. DAIMLER may demand that jigs, fixtures and gages be surrendered in the event of an interruption in delivery only. In this case, DAIMLER is additionally entitled to reimburse the percentage of the jig, fixture and gage costs which has not yet been amortized to the supplier. Upon reimbursement of the costs, DAIMLER obtains ownership of the jigs, fixtures and gages.

In terms of tools, a distinction must be made between tools, which are or become the property of DAIMLER (DAIMLER-owned Tools) and tools, which are not or do not become the property of DAIMLER (Non-DAIMLER-owned Tools).

Regardless of ownership, the supplier must treat all tools and other production equipment with the degree of care necessary to ensure appropriate supply of DAIMLER.

DAIMLER is entitled to check adherence to this MBST at the supplier’s premises during its applicable hours of work and following prior coordination. The supplier will support DAIMLER accordingly and will, in particular, keep the documents pertaining to the tools ready for inspection.

2. DAIMLER – owned Tools

The following provisions regulate the rights and obligations of the supplier and DAIMLER regarding the supplier’s use of tools, which are the property of DAIMLER.

2.1. Transfer of Tools

The supplier is authorized and obligated to use the tools within the scope of the supply contract concluded with DAIMLER concerning the part to be manufactured with the tools.

The supplier is prohibited from any deviating use of DAIMLER-owned Tools, particularly from production of parts for supply of third parties or the transfer of usage to third parties without DAIMLER’s prior written consent.

\(^1\) Forging tools are the exception.
2.2. Servicing and Tool Maintenance

The supplier is responsible for ensuring the defect-free functional capability of the tools during their use in the contractual undertaking to supply DAIMLER. The supplier must ensure constant, defect-free functional readiness of the tools for the purpose of defect-free delivery to DAIMLER through continuous maintenance and repairs at its own expense. The maintenance and repairs shall, in particular, encompass all expenditures required to preserve the operating condition and the alleviation of all defects and damage, as well as those arising from modifications and deterioration attributable to the use of the tools. In return, DAIMLER makes the tools available to the supplier free of charge.

2.3. Tool Changes

In the event that modifications to the tools are required due to changes in DAIMLER’s technical specifications, the supplier must first provide DAIMLER with a written offer for modification of the tools with the least possible expenditure.

Modifications to the tools may be carried out by the supplier only after DAIMLER has commissioned the supplier in writing. Any expenditure in excess of these specifications shall not be remunerated by DAIMLER.

2.4. Identification and Stock Taking

The supplier must clearly and permanently identify those tools which are the property of DAIMLER as DAIMLER property. During the year-end stock-take, the supplier shall transfer the necessary information on the tools in its possession to DAIMLER.

In the event that the property of DAIMLER is endangered by enforcement measures, in particular by attachment, seizure or insolvency proceedings, the supplier shall inform DAIMLER accordingly without undue delay. In any case, the enforcement agency shall be informed of DAIMLER’s right of ownership without undue delay. At the same time, the supplier shall forward copies of the enforcement documents to DAIMLER.

2.5. Liability

The supplier bears liability for all tool defects, damage, changes or deterioration to or of the tool. The supplier is not held liable if these tool defects, damage, changes or deterioration are attributable to force majeure.

The supplier must ensure that no personal injury or property damage is caused by the tools and shall indemnify DAIMLER from and against such damage claims.

2.6. Duty of Return

At the end of delivery, the supplier shall return the tools to DAIMLER in the condition existing after proper fulfillment of the supplier’s duties arising from this MBST. All liens and rights of retention of the supplier in respect of the tools are excluded.

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2 If a yield volume has been agreed, this applies only to the agreed yield volume.
3 Liability for deterioration of the tools only applies to the agreed yield volume, if such yield volume has been agreed.
3. **Non-DAIMLER-owned Tools**

Insofar as DAIMLER is not the owner of the tools, DAIMLER shall obtain ownership of the tools and subsequent tools by way of security in order to ensure delivery.

DAIMLER may demand the surrender of tools only in the event of a delivery interruption. In this case, DAIMLER is additionally entitled to reimburse the percentage of the tools’ unamortized cost to the supplier. In this case, DAIMLER obtains unlimited ownership of the tools upon reimbursement of the costs.

The supplier is obligated to scrap tools which it uses or has used to manufacture parts for DAIMLER only following prior written approval by DAIMLER. If DAIMLER does not approve scrapping, mutual regulation of the costs must be agreed.
Supply of Spare Parts for DAIMLER Products

1. General

The high performance level in parts supply is a significant purchasing factor for DAIMLER customers and as such is an essential competitive feature of DAIMLER products. In regard to pricing, quality and observance of deadlines, spare parts supply has the same significance to DAIMLER as the supply of production.

2. Definition of Spare Parts

Spare parts are required to meet replacement needs arising from the exchange of parts of the vehicle. They include parts delivered in a condition deviating from the series in respect to finish or packaging. Such deviations are specially noted.

For products/systems/units, the particular spare parts are mutually specified by DAIMLER and the supplier.

3. Parallel Sales

If DAIMLER develops the product itself or DAIMLER has paid the supplier for development, or the product is manufactured on tools which are the property of DAIMLER, the supplier is obligated to supply spare parts only to DAIMLER. DAIMLER shall charge the supplier compensation amounting to 10% of the DAIMLER gross list price per part in each case of culpable violation. Furthermore, the supplier shall be obligated to provide DAIMLER with proof of unit volumes and purchasers of parts supplied in parallel. To check the units, a suitable measurement device should be attached to the tool.

Moreover the supplier shall not be entitled to supply third parties with any parts branded with a DAIMLER trademark or DAIMLER part number. If the brand is used unlawfully and the supplier is at fault, an additional penalty of 5% of the DAIMLER gross list price shall be payable. The total compensation payable is then 15% of the gross list price.

In order to avoid damaging the image of DAIMLER brands, the parallel sale of parts by suppliers is not permitted where the DAIMLER brand has recognizably been rubbed out, scratched off or otherwise removed by an external influence. The covering of DAIMLER brands or part numbers with stickers or paint is also not permitted.

4. Brands

The supplier commits itself to mark the spare part as specified by the drawings. The DAIMLER brand name is to be affixed to all parts in accordance with the specifications (MBN 33015). The supplier's own markings or those attributable to the supplier, if any, must not exceed the size of Daimler's brand names. The supplier's markings, if any, must be placed below the DAIMLER brand marking at a distance of at least three times the height of the DAIMLER brand marking. If this is not possible, product management for spare parts at GSP must be notified.
5. Period of Supply and Purchase Right

The supplier undertakes to supply DAIMLER spare parts for the product for a period of at least 15 years after discontinuation of production. Delivery is made at the request of Daimler.

Parts-specific production equipment of the platform or part may only be scrapped with DAIMLER’s written consent regardless of ownership status.

6. Pricing

For spare parts delivered during the series delivery period, the series price current during the series lifetime generally applies.

In the case of parts for systems/units, the price of the spare part is determined by breakdown, deducting assembly cost from the price.

In the case of parts for systems/units or spare component parts for series assemblies, the price of the spare part is determined by breakdown/cost orientation during the series lifetime. The price for series components determined thus is also the applicable spare part price. This price constitutes the maximum price for the spare component price not including any packaging expenses required or assembly costs incurred. The price of spare component parts is then agreed on this basis if the component was not created as a separate part number before series start-up.

7. Documentation of Spare Parts

The cost of preparing spare-parts documentation (including single-part drawings) and maintenance of all modification statuses, forms part of the price of the overall delivery.

The scope of the documentation (CATIA 3D drawings, parts lists etc.) and the deadline for its completion will be agreed between DAIMLER (Spare Parts) and the supplier.
Regulations on the Payment of Start-up Costs and Additional Material Costs by DAIMLER

This MBST applies only to deliveries to the Mercedes Car Group and Maybach.

1. General Principles

DAIMLER distinguishes between plannable start-up costs (see 2) and non-plannable start-up costs (additional material costs, see 3).

At the request of the supplier, DAIMLER states the necessary project information on the project-specific start-up process (non-binding, estimated requirements from Quality Gate C or III up to the achievement of full capacity, etc.), as already in the invitation to tender documents under commercial contents and deadlines to the supplier as the basis.

Start-up process (general):

2. Plannable Start-up Costs

Between Quality Gate C/III (start of advanced prototype/batch 4) and full capacity, higher costs may arise in the supplier’s production process than after the achievement of full capacity (plannable start-up costs). These costs can be calculated at an early stage and as part of the tender on the basis of the specified start-up unit numbers and deadlines.
These plannable start-up costs can include:

- **Production**
  set-up and idle capacity costs, assembly and testing expenses, rejects, supplements for smaller quantities

- **Logistics**
  transportation, storage, container, handling and repackaging costs

- **Samples**
  supplies for color committees, design-stage workshops, process acceptance tests, initial sample inspection with sample inspection report/initial sample inspection report (SIR/ISIR).

The initial samples to be supplied by the supplier for the production and process approval procedure (PPF) in accordance with MBST 13 form part of the plannable start-up costs and must therefore be supplied free of charge.\(^1\)

Sample parts to be supplied following a design change in accordance with MBST 13 must be taken into consideration in the change tender via eÄM.

As a rule, the plannable start-up costs listed above are covered by the series price.

If there are justifiable individual cases in which the plannable start-up costs are not covered by the series production price, the supplier should specify any such additional costs in detail at the time it submits its tender. Start-up costs mentioned once the order has been placed cannot be included.

Plannable start-up costs up to QG A/I are only paid to the supplier if this is approved by DAIMLER.

The supplier will ensure that, for deliveries as of Quality Gate D/IV, “blank” release design stage can be assigned by DAIMLER, deliveries as of Quality Gate C/III are manufactured with the series tool and sample inspection with the result part green/process yellow is completed by Quality Gate B/II (design stage in accordance with MDS).

### 3. Additional Material Costs

If further changes arising from design changes or significant changes to DAIMLER’s non-binding requirement estimates are required for deliveries as of Quality Gate C/III and this is not the fault of the supplier, these additional material costs (MMK), which are not plannable when the tender is submitted, may be separately remunerated by DAIMLER within an appropriate framework.

To this end, the supplier names and justifies the non-plannable components within the framework of the MMK inquiry by the corresponding assembly plant in the web-based MMK database (currently for the Sindelfingen plant, Bremen plant and Rastatt) or conventional MMK processing via fax (other plants).

Some reasons for additional material costs can include:

- Additional staff costs incurred by suppliers
- Reworking
- Special carriage costs
- Scrapping costs

MMKs are only paid to the supplier up to full capacity subject to approval by DAIMLER.

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\(^1\) The defined number of initial samples in accordance with MBST13 or a special agreement with the purchaser (e.g. in the case of larger tool nests) serves the supplier as the calculation basis.
4. Series Production Price
The series price becomes valid for supplier's deliveries installed at DAIMLER at the time designated “Quality Gate C” (start of advanced prototype) or “Quality Gate III” (batch 4). The actual timing in each case is determined by the project schedule (MDS milestone plan).

5. Allocation of flash and OTP processors

5.1. as series solution: **costed into series production price**
If, within the framework of target price definition and assignment, a flash/OTP solution is agreed as the series solution, the supplier must cost it into the series price.

5.2. an intermediate solution from the advanced prototype up to and including PRO 2 or PT 2: **specification as start-up costs**
The MDS process states that the provision of electric and electronic components for PRO 3 or PT 3 from mask processors must be ensured by the supplier, i.e. the use of flash/OTP processors for part provisioning prior to PRO 3 or PT 3 must be specified as plannable start-up costs by the supplier.

5.3. as an intermediate solution as of PRO 3 or PT 3: **remuneration as MMK**
These must be treated as the aforementioned additional material costs requiring approval.
Production Process and Product Approval (PPA)

1. Introduction

In accordance with ISO/TS 16949, the supplier must carry out a PPA process for series production approval. Unless otherwise specified in the following, the requirements made on this process are oriented towards the relevant current issue of VDA Volume 2. In individual cases, a different process may be coordinated with the client DAIMLER plants.

2. Application Area

In addition to the scope specified in VDA Volume 2, the PPA process must also be carried out for software and standard parts unless agreed otherwise. (See the respective applicable version of VDA material specification 235-204 for high tensile fasteners for the automotive industry).

If delivery conditions are described by several item numbers, the corresponding processes and generated/amended product features of the delivery condition must be presented in the submission of samples in addition to the component features.

DAIMLER can request a PPA report for the components in a delivery scope with DAIMLER item numbers.

3. Basics of the PPA

3.1. Series Production Approvals of Other DAIMLER Plants

If the supplier has already received series production approval from a DAIMLER location and there is no trigger for a new PPA process (see 4), a new PPA process does not have to be performed before supplying other DAIMLER locations. The supplier submits the sample as planned together with its series production approval to the new DAIMLER location in order to receive plant approval.

3.2. Identification of Parts

Parts for which sampling has not yet been performed must be identified with their development status according to the part life record. In consultation with DAIMLER, these parts must be presented as “other samples” and serve the exclusive purpose of design stage validation. Series approval is not granted for “other samples”.

Unless otherwise agreed, a red sticker (Ø approx. 20 mm) specifying Exx (whereby xx is the sequential index) must be used.

Separate labeling of sample parts and parts for production tests can be demanded by the respective DAIMLER location.

For passenger cars, starting with the initial sampling of samples for the PPA, these must be identified with a white sticker specifying the quality status in accordance with the quality part life record (Qxx) and stating the color status in accordance with the color part life record (Fx) for parts with supplementary code 2 until the completion of the final Daimler production test/try out.
Coordination with the client DAIMLER plant is required for body shell parts. In justified exceptional cases, deviating regulations may additionally be agreed with the client DAIMLER plant employees responsible for series production approval.

4. Triggers for the PPA Process

The client DAIMLER plant employees responsible for series production approval must be notified of all production process and product modifications. Unless otherwise agreed, proceed according to the following matrix.

<table>
<thead>
<tr>
<th>Trigger</th>
<th>Performance of PPA Notification of sampling office</th>
<th>Information to purchasing</th>
<th>Information to logistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>New parts</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product modification (approved by development)</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Production relocation</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Production process modification</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Test process modification</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term production stoppage, more than 12 months</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of new, modified or replacement tools (not applicable to metal removing tools)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Change in 2nd-tier suppliers (DAIMLER 2nd-tier). In the case of parts with special characteristics (DS, DZ), the above obligation exists up to the supplier responsible for the characteristic.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Modifications in the supplier’s purchased parts</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsequent sampling</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requalification without complaint</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following applies to Daimler Trucks and Buses:

Parts and deliveries subject to Regulation (EC) No. 1907/2006 (REACH) trigger a PPA process, or should be given particular attention during initial sampling, in accordance with the following regulation:

Daimler Trucks is only to be provided with the material data (IMDS data record) in cases where deliveries or parts contain substances listed in the “Candidate List” set out in Article 59 of the REACH Regulation, or if the receiving plant expressly requests the transmission of the material data. The data are transmitted by providing the ID no. for the IMDS data record in the initial sample cover sheet and Annex 20 “Material data sheet/IMDS”.

If any new substances which are already included in deliveries to Daimler Trucks with a share by mass of more than 0.1 percent are added to the REACH Candidate List, subsequent sampling must be carried out by transmitting the ID no. for the IMDS data record and Annex 20 “Material data sheet/IMDS”.

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Uncontrolled copy when printed (: Tatjana Einfeld, 2012-06-19)
5. Execution of the PPA Process

If a PPA process trigger caused by the supplier arises, the supplier shall provide notification of this trigger at least six months prior to planned implementation. In justified, exceptional cases, deviating regulations may be agreed with the client DAIMLER plant employees responsible for series production approval. Relocation is not permitted in the start-up phase. Notification of relocation must be issued six months in advance and requires approval from Daimler.

DAIMLER specifies a sampling date to the supplier. Even without a separate purchase order, the supplier shall deliver sample parts by the above mentioned date, unless DAIMLER expressly dispenses with delivery.

Prior to the PPA process, the documents specific to the sampling scope and the number of samples required are specified in sampling planning, the submission stage. In addition to the technical sample (Q status), a variant sample (A status) must be provided for parts distinguished by supplementary code 2 (color, language, etc.).

In the case of tools for parts where the surface structure is integrated in a separate production step, the PPA process is carried out on the basis of “other samples” with a development status within the meaning of Chapter 4.5.2 of VDA Volume 2. Approval for integrating the surface structure is issued by the department responsible for series production approval.

In the event of deviations, the supplier must obtain advance written approval (deviation permit) from the responsible DAIMLER development department and submit it for sampling. The corrected status must be presented within the scope of subsequent sampling prior to the expiry of the deviation permit.

The relevant product and process characteristics for which capability studies are to be carried out are to be coordinated with DAIMLER. Until the process capability parameters have been verified, the characteristics are checked 100% by the supplier.

In deviation from VDA Volume 2, the following requirements apply to the DS/DZ characteristics specified in the specification documents (e.g. drawings, CAD data records):

- Short-term process capability \( C_{m_k} \geq 2.00 \)
- Long-term process capability \( C_{p_k} \geq 1.67 \)

The procedure for special processes is in accordance with MBST14.

“Supplier production tests/try outs” are generally carried out for new launches and model enhancements, and the department responsible for series production approval must be notified within good time so that participation by DAIMLER is possible. Approval is granted if full adherence to all part criteria (Annex 2) is verified and the process criteria (Annex 2) specified in the following table are met. Unconditional general approval must be in place by “supplier production test 3/try out 3” at the latest.

Besides new launches and model enhancements, no “supplier production test/try out” is carried out subject to coordination with the client DAIMLER plant employees responsible for series production approval. Approval is only granted if all parts criteria (Annex 2) and process criteria (Annex 2) are met in full.

<table>
<thead>
<tr>
<th>Process criteria</th>
<th>General approval with condition</th>
<th>General approval without condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>“Supplier production test 1/try out 1” if several are planned</td>
<td>Last “Supplier production test/try out”</td>
</tr>
<tr>
<td>Plant, machinery, equipment</td>
<td>OK</td>
<td>OK</td>
</tr>
<tr>
<td>Logistics chain</td>
<td>Conditionally OK</td>
<td>OK</td>
</tr>
</tbody>
</table>
Cycle time, unit nos. | Conditionally OK | OK
Personnel | Conditionally OK | OK
Process capability | Conditionally OK | OK
Test equipment, test benches | Conditionally OK | OK
Manufacturing process, bought-in parts | Conditionally OK | OK

For selected scopes, a number of parts which at least corresponds to the yield of one shift and at most the yield of 3 production days must be produced in coordination with DAIMLER in the final “supplier production test/try out”. These parts must be produced under “Daimler capacity line” conditions.

If the supplier buys in deliveries from sub-suppliers, the supplier must select a similar procedure, involving DAIMLER if necessary.

6. Submittal level

Unless otherwise agreed between the department responsible for series production approval and the supplier, documents and samples corresponding to submittal level 2 will be made available to DAIMLER.

<table>
<thead>
<tr>
<th>No.</th>
<th>Requirements (characteristics in accordance with specifications)</th>
<th>Submittal level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PPA report cover sheet</td>
<td>1  2  3</td>
</tr>
<tr>
<td>2</td>
<td>Test results (e.g. dimensions(^1), function, material (e.g. strength, physical properties), feel, sound, odors appearance(^2), surface, reliability, process capability, weight, transport means, EMC/ESD test, etc.)</td>
<td>✓  ✓</td>
</tr>
<tr>
<td>3</td>
<td>Sample (number per nest), unless agreed otherwise(^3)</td>
<td>5  5  5</td>
</tr>
<tr>
<td>4</td>
<td>Documents (e.g. customer drawings, CAD data, specifications, approved design modifications, simulations, etc.)</td>
<td>✓  ✓</td>
</tr>
<tr>
<td>5</td>
<td>Supplier design and development approvals if responsible for development</td>
<td>✓  ✓</td>
</tr>
<tr>
<td>6</td>
<td>System FMEA Product</td>
<td>E</td>
</tr>
<tr>
<td>7</td>
<td>System FMEA Process</td>
<td>E</td>
</tr>
<tr>
<td>8</td>
<td>Process flow chart (production and inspection steps)</td>
<td>✓  ✓</td>
</tr>
<tr>
<td>9</td>
<td>Control plan</td>
<td>E  E</td>
</tr>
<tr>
<td>10</td>
<td>Inspection and test equipment list (product-specific)</td>
<td>✓</td>
</tr>
<tr>
<td>11</td>
<td>Inspection and test equipment capability study, as appropriate (result)</td>
<td>✓  ✓</td>
</tr>
<tr>
<td>12</td>
<td>Confirmation of compliance with legal requirements, if agreed with DAIMLER (e.g. environmental, safety, recycling)</td>
<td>✓  ✓  ✓</td>
</tr>
<tr>
<td>13</td>
<td>The ID No. for the accepted IMDS materials data sheet on the current construction status is to be stated on the cover sheet for the PPF report.</td>
<td>✓  ✓  ✓</td>
</tr>
<tr>
<td>14</td>
<td>Software test report (Annex 4)</td>
<td>✓  ✓  ✓</td>
</tr>
<tr>
<td>15</td>
<td>List of materials, with drawing if requested by DAIMLER (Annex 3)</td>
<td>✓  ✓</td>
</tr>
<tr>
<td>16</td>
<td>List of work and test instructions with approval status</td>
<td>✓  ✓</td>
</tr>
</tbody>
</table>

\(^1\) The following DAIMLER guidelines must be applied (see SIS standard master on the supplier portal under http://daimler.covisint.com):
- General specifications for body parts.
- Standard for describing measured results for purchased assembly parts and attaching body parts.

\(^2\) As part of color sampling, the measurement reports for spectral measurement on the reference or basic sample and the initial sample must be enclosed.

\(^3\) Passenger Cars: Generally 5 parts plus 2 samples for color/variant sampling, 50 sample parts are required for all small parts (clamps, clips, screws, nuts, etc.)
<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>Tools list (with unit nos./number of nests and statement on tool quality)</td>
<td>✓ ✓</td>
</tr>
<tr>
<td>18</td>
<td>Evidence that series production cycle time has been achieved</td>
<td>✓ ✓</td>
</tr>
<tr>
<td>19</td>
<td>Overview of the supplier’s purchased and in-house parts with part and process approval status</td>
<td>✓ ✓</td>
</tr>
<tr>
<td>20</td>
<td>Written confirmation that criteria are met in accordance with series production maturity, part and process assessment matrix</td>
<td>✓ ✓</td>
</tr>
<tr>
<td>21</td>
<td>Quality⁴/color part life record (Annex 1)</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>22</td>
<td>Sample card (Annex 5) (only at the request of the relevant DAIMLER location)</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>23</td>
<td>Paint system approval from DAIMLER</td>
<td>✓ ✓</td>
</tr>
<tr>
<td>24</td>
<td>Evidence to secure traceability and data archiving of DS/DZ characteristics</td>
<td>✓</td>
</tr>
<tr>
<td>E</td>
<td>Requirement for the relevant submittal level, for perusal only, documents remain with the supplier</td>
<td></td>
</tr>
</tbody>
</table>

The supplier documents the procurement structure of its suppliers and provides the documentation to the client DAIMLER plant on request.

If responsibility for sampling and approval of parts purchased by the supplier (directed parts) lies with Daimler, the supplier lists these with the following information separately (under point 19 of the submittal level matrix):
- Parts number
- Supplier with Daimler supplier number
- ZGS
- Q/A status
- Approval Status
- Daimler plant and number of approval test report

7. **Storage Periods**

Storage periods are based on VDA Volume 1. Following the discontinuation of series production, the PPA process documents must be archived for 15 years by the supplier and submitted on request. Longer periods can apply for commercial vehicles (up to 35 years after production).

8. **Approval Status**

The supplier is notified of the general approval status in the form of a test report. For specific plants, the results of the material test may be transferred with a separate test report. The supplier receives the IMDS data sheet evaluation via IMDS.

9. **Reporting**

The method and format of the sampling document transfer must be coordinated with the relevant DAIMLER plant. If submission takes place in paper form, the supplier provides the requested number of copies of the documents.

10. **Preparatory Activities**

Prior to or parallel to the PPA process, activities such as design stage workshops or color in-camera meetings are carried out by DAIMLER together with the suppliers for selected, partial scopes. The

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⁴ The “E/Q status” describes the precise drawing and geometry status (ZGS) with design and usage message (KEM), e.g. YAP and additionally all production technology statuses and modifications.
parts for the color in-camera meetings must be manufactured under full series production conditions. Insofar as parts with the specified surface structure are not already ordered for the first color in-camera meeting, these must be supplied with the specified surface structure by the following color in-camera meeting at the very latest.

11. Non-compliance

If the agreed sampling per part status does not lead to success, the supplier bears all additional costs incurred by DAIMLER which are directly related to the sampling process if it is responsible for the negative result.

Annex:
(See SIS standard master on the supplier portal under http://daimler.covisint.com)
Annex 1  Part Life Record
Annex 2  Assessment Matrix for Approval Status
Annex 3  Material BOM
Annex 4  Software Test Report
Annex 5  Sample Warrant
Quality Assurance
Implementation of a Quality Management System

1. Selection and Application of the QM System

To ensure flawless and constant product quality, the supplier shall establish a quality management system, hereinafter referred to as “QM”. The QM system must be set up in line with the currently applicable version of ISO/TS 16949. Evidence must be provided through certification by a certification society recognized by the IATF (International Automotive Task Force). Any deviation from this procedure requires specific approval by DAIMLER.

The supplier will set up its QM system and its sub-suppliers are also required to comply with the requirements of this MBST.

On request, the supplier must also meet supplementary country-specific requirements, e.g. EC, US certificate, CCC

2. Auditing

DAIMLER is entitled to audit and evaluate the supplier’s QM system and quality assurance measures or to have these audited and evaluated by a third party commissioned by DAIMLER. This can be done as part of an audit (e.g. technical audit of supplier) following prior announcement. As part of its deliveries, the supplier must also enable its sub-suppliers to be audited by DAIMLER or a third party commissioned by DAIMLER. The supplier consents to assist DAIMLER in identifying weaknesses in the sub-supplier structure. Optimization of the weaknesses which are ascertained is the responsibility of the supplier. DAIMLER can stipulate quality assurance measures in specific cases.

Suppliers that develop and supply software, also in combination with hardware, must observe the relevant valid version of the ISO/IEC 15504 or AutomotiveSPICE™ standards.

On request, DAIMLER must be informed of measuring variables in the software development process (e.g. number of errors per lines of code, error distribution over development phases, efficiency measurement in various phases of software development, test coverage such as C1 or equivalent measuring variables).

The maturity of the software development process must be verified through an assessment in accordance with ISO/IEC 15504 or AutomotiveSPICE™.

A results protocol according to SPICE or AutomotiveSPICE™ must be submitted upon request. For the processes assessed in the relevant, valid version of DAIMLER Minimalscope, the supplier must observe the level 3 or deviating specifications which are defined in the DAIMLER specifications. If the required level is not achieved, corresponding measures, including adequate scheduling, must be agreed in coordination with DAIMLER.

The execution and scope of the assessment and qualification of the assessors must meet the requirements of the standardization activities of the software manufacturer initiative (HIS) and AutomotiveSPICE™. In the event of significant deviations from these requirements, the assessment is invalid. In this case, reassessment must be carried out by an independent third party who did not take part in the invalid assessment. The costs of this reassessment are borne by the supplier.
DAIMLER has the right to carry out an assessment itself according to ISO/IEC 15504 or AutomotiveSPICE™.

3. Scientific and Technical State-of-the-Art

According to the requirements of the Product Liability Act, the supplier shall ensure that its deliveries and services correspond to the scientific and technical state-of-the-art.

4. Quality Planning and Assurance

The supplier verifies the defect free product realization. The supplier documents its quality assurance measures with proof of quality assurance.

The supplier shall inform DAIMLER immediately as soon as violations of the zero-defect obligation are foreseeable.

The supplier is responsible for determining and properly defining the special characteristics (e.g. safety-, certification-, functionally- and process-relevant) in accordance with the specifications, requirement specifications or other DAIMLER data, as well as for the suitable optimization of production systems, processes and test methods. If, in the case of a product defect, a risk to life or health during use of the product cannot be excluded, the supplier is obligated to do everything to avoid defective deliveries.

Machine and process capability is examined and evaluated on the basis of VDA Volume 4, Ensuring quality prior to use in series production. The supplier must ensure and document production process stability over the entire production period by means of suitable process regulation. A 100% audit of product and process features must be performed if capabilities are not met.

If a product feature cannot be demonstrated with process capability figures, e.g. for specific processes (e.g. welding, heat treatment, casting), proof must be provided by way of secondary features or a 100% test must be employed.

In such cases DAIMLER can demand that suppliers apply different suitable methods of providing evidence for process security specific to components in series production.

Suppliers of electrical and electronic components shall implement suitable indicators to detect conspicuous trends and anomalies (e.g. anomaly tests such as Parts Average Analysis). No parts subject to anomalies shall be supplied to DAIMLER.

If the supplier is (jointly) responsible for the development of the supplied products and/or services, the supplier must assess the relevance of the said products or services in terms of safety or certification, and note the results of such assessments on all technical documentation, drawings and other documentary materials. The supplier is additionally obligated to use DAIMLER designations in its technical documents, drawings and other documentation, which are made available to DAIMLER. This identification must be continued in an adequate manner in all further documentation. The supplier is obligated to implement the measures to be derived from the identification in current production and to store the related verification.

DAIMLER identification requirements:

<table>
<thead>
<tr>
<th>DS: Documentation of relevance to safety</th>
<th>Components or systems whose malfunction or failure may place the life and limb of other road traffic users in direct risk are safety-relevant.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DZ: Documentation of relevance to certification (incl. emission relevance)</td>
<td>Components or systems whose data, verifications, construction permits etc. are used in certificates or country-specific registration documents or which are checked on type approval are certification-relevant.</td>
</tr>
</tbody>
</table>
For the purpose of traceability, the supplier, at the request of DAIMLER, shall identify the components with a unique serial number, the structure of which will be defined by DAIMLER.

The supplier is obligated to check annually whether its deliveries meet DAIMLER's specifications (including dimensions, material, reliability, legal specifications, environmental and production control plan) (requalification). The supplier evaluates documents and archives the results. These must be made available to DAIMLER on request. Any deviation from this paragraph must be agreed in writing between the supplier and DAIMLER.

**Cooperation/escalation model**

This model is used when suppliers experience severe, recurring or persistent quality and logistics problems.

The supplier’s performance is measured and presented on a continuous basis by key performance indicators (KPIs). If KPIs are exceeded, the model of the respective division takes effect, e.g. Q-H:ELP at MBC “Quality Challenges: Recognition, Solution and Prevention”.

Depending on the respective classification, additional measures are stipulated with the supplier. When DAIMLER assists suppliers with the above measures, the suppliers reimburse DAIMLER for the costs incurred.

**5. Inspections by DAIMLER**

Under consideration of the inspections carried out at the supplier's premises in accordance with this MBST, the inspection carried out at DAIMLER is restricted to the comparison of delivery note data with the goods labels, checking the number of load units and inspecting external transportation damage which is clearly visible on the packaging.

Insofar as feasible in the proper course of business, DAIMLER will either check the assembly manufactured using the deliveries prior to the next production stage or will subject the finished product manufactured using the assembly to an inspection.

There are no more far-reaching examination obligations for DAIMLER.

DAIMLER is entitled to participate in inspections, appraisals, reviews or tests carried out by the supplier and its sub-suppliers, to have these observed by third parties authorized by DAIMLER or, following prior coordination, to conduct such inspections itself on the premises of the supplier and its sub-suppliers or to have these carried out by authorized third parties.

DAIMLER has the right to inspect all development documents (software incl. source code for the purpose of analysis, e.g. ascertainment of metrics) and documentation which accompanies production.
Handling of Defective Deliveries

1 Subject Matter of the Agreement

1.1 Scope
These regulations apply to the handling of claims by Daimler in respect of suppliers owing to delivery of defective production material or defective spare parts to the extent that these defects have been identified after the vehicles leave the respective production plant or the spare parts have been fitted or sold to customers.

1.2 Purchase conditions
The purchasing terms agreed between Daimler and the supplier remain unaffected.

2 Ascertaining Defects
Defects are ascertained by the Daimler sales organization and then fed into the Daimler systems for processing of quality defects. The damaged parts are provisionally identified as defective by Daimler.

3 Handling of Procedures for Standard Recourse
The settlement regulations for standard recourse apply to defective deliveries if these have not led to a recall, series damage or damage to other components.

3.1 Definition of a Parts Family
The “parts family” tool is used to determine the acceptance rate. A parts family consists of parts with the same function and properties.

3.2 Forming a Parts Family
Parts families are formed specific to divisions by arrangement between Daimler and the supplier. If damaged parts with new item numbers are presented during the year or new spare parts numbers arise within the warranty system, new families are agreed during the year by arrangement between Daimler and the supplier or existing parts families are augmented.

In particular, the following parts are pooled in a parts family:

- Parts that can be substituted interchangeably in a workshop repair,
- Series production part and spare part (e.g. new, improved successor parts that replace an older version),
- Different country variants if there are no serious technical deviations,
- Across model series for similar and technically comparable components.
3.3  Return of Parts

3.3.1  Reference Market and Sample Size

To reduce the cost of returning and analyzing parts, inspections and the associated cost participation by suppliers are determined using a random sample of removed damaged parts from a reference market. In the absence of any other agreement, the German market shall be the reference market. Random parts from defined European operations are submitted for Evobus.

The size of the sample is usually 10-20% of a parts family based on the damaged parts found in the reference market and the invoicing period. If the lower limit for a sample size of 10% of a parts family is not achieved, the calculated acceptance rate is adjusted by mutual arrangement at the request of the supplier, unless the reduced size was agreed with the supplier.

All parts sent to the supplier by the Daimler inspection stations and identified in the IT inspection systems (e.g. QEC tool) as “warranty goods” are taken into account in establishing the acceptance rate. Warranty goods are all parts submitted to the supplier for damaged part analysis originating from the agreed reference market for which defects have arisen within the agreed period of limitation for warranty claims. All parts not affected by this are inspection goods.

At the instruction of Daimler or on request by the supplier, inspection parts can be returned for damaged part analysis and forwarded to the supplier for analysis.

3.3.2  Early Compilation of a Representative Sample

When the supplier has analyzed 50 parts from a parts family at the latest, Daimler can agree an early acceptance rate with the supplier for the relevant production period. From the time of written notification by Daimler to coordinate an acceptance rate, no further parts from this parts family will be sent from the production period concerned. If the supplier dissents in writing and provides objective grounds for determining an acceptance rate, the sending of parts will be resumed.

Even after agreeing the acceptance rate, the supplier is required to continue to analyze individual parts of a parts family and a specific production period. This is necessary, for example, to be able to discover new damage patterns and potential long-term defects.

3.4  Performance of Damage Analysis and Determination of Acceptance Rate (AQ)

The VDA guideline applies for damaged part analysis, “Shared quality management in the delivery chain – Marketing and customer care – Damaged part analysis field” and the respective “MB Standard 10 448 Damaged part analysis field”; the latter can be accessed via the Daimler Supplier Portal.

3.4.1  Deadlines in Damaged Part Analysis

In the analysis of damaged parts by suppliers, the supplier must confirm receipt of parts using the IT systems provided by Daimler for test report processing (e.g. QEC-Tool and eSEP++) within two days of receipt and send Daimler a status response with its initial test findings within ten working days. In the case of acceptance, the supplier submits a VDA-compliant 8D report per defect profile.

The supplier notifies Daimler of its conclusive findings no later than 20 working days from receipt of parts by the supplier. For start-up parts (vehicle, component, system), parts from immobility cases
and parts labeled S in the component drawing, there is a reduced period of ten working days for the conclusive findings; these parts must be identified accordingly in the test report.

These periods may be extended by mutual agreement when such extension is justified.

If the supplier does not meet the deadline for its conclusive findings, the parts affecting this test report will be considered accepted.

Rejected parts remain the property of Daimler. The supplier must return these parts to Daimler within ten working days (date of receipt by Daimler) of notification of conclusive findings in delivery condition (in appropriate condition if subjected to agreed destructive testing); if the supplier fails to meet this deadline, these parts will be considered accepted.

Daimler can agree with the supplier that parts rejected by the supplier can be held in a quarantine store for up to ten weeks and then scrapped.

Parts accepted by the supplier are exempt from any duty to return or store them.

### 3.4.2 Calculating Acceptance Rates (AQ)

Daimler and the supplier calculate the acceptance rate on the basis of the results of the damaged part analysis. All acceptance rates usually relate to a specific parts family and a defined incidence period. The calculated acceptance rates are applied to global damage claims.

The acceptance rate is calculated as the number of damaged parts accepted by the supplier out of all damaged parts submitted as “warranty goods”.

The Daimler inspection station reserves the right to audit the damaged part analysis process at any time after providing suitable notice in line with the VDA standard “Damaged part analysis field – Audit standard”. This audit also assesses the implementation of all sections of “MB Standard 10448 Damaged part analysis field”.

A score of less than 90% according to the VDA “Damaged part analysis field – Audit standard” indicates that the supplier’s analysis of damaged parts is unviable or only partially viable. This means that the actual acceptance rate must be greater than shown by the supplier’s results. To establish a realistic acceptance rate, Daimler can negotiate an audit surcharge (AZ) with the supplier based on its score.

\[
AQ \% = \frac{\text{(Total of accepted damaged parts)} + \text{(Total of damaged parts not analyzed on time)} + \text{(Total of parts not returned on time)}}{\text{Number of damaged parts analyzed}} \times 100 + AZ[\%]
\]

AQ[%] max. 100%

### 3.4.3 Product and Process Changes and Production Relocations

In the event of product changes, process changes or production relocations not advised by the supplier in line with MBST 13/16 and not approved by Daimler, the acceptance rate is 100%, unless the supplier proves that there is no causal connection with the occurrence of the defect. In the case of
assemblies or multi-part deliveries, this includes the parts procured by the supplier from sub-suppliers.

3.4.4 Regulation of Costs in Damaged Part Analysis

The costs incurred in connection with the damaged part analysis are borne by the supplier and Daimler. Transportation and logistics costs incurred are paid by the respective recipient. If the supplier demands additional returns of parts other than the sample, the supplier shall bear the transportation and logistics costs incurred.

3.4.5 No Trouble Found (NTF) Process

If no defects or reasons for breakdown are found after performing the damaged part analysis, Daimler and the supplier agree to perform an NTF process as per VDA volume “Damaged part analysis field” and “MB Standard 10 448 Damaged part analysis field”.

The NTF process serves to find the cause of a problem not identified in a damaged part analysis. By arrangement with the supplier, this enters into effect if it has not been possible to trace a customer complaint with a damaged part analysis by the supplier (“OK as per finding”).

3.5 Processing of Warranty Claims

3.5.1 Warranty Cost Determination

The supplier reimburses Daimler the following costs per claim in the event of standard recourse if these are due to defective performance (warranty costs):

- Daimler purchase price of spare part in the “year incurred” (meaning the year, in which the damage incurred)
- 40% of the purchase price of the spare part in the year incurred (“handling costs”) as compensation for expenses in central spare parts operations, for the transportation costs of spare parts from receipt of goods by Daimler to the place of subsequent performance, for service workshop expenses, for parts procurement, storage and other additional costs; the supplier may provide evidence that these costs are not incurred or are incurred at significantly less than 40% of the purchase price of the relevant spare part
- All labor costs (removal and installation costs including diagnosis and analysis costs) as the average wage cost in line with the actual wage costs incurred in service workshops worldwide in connection with the defect

\[
\text{Warranty costs} = \text{Daimler purchase price} + \text{handling costs} + \text{labor costs}
\]

3.5.2 Calculation of Recovery Volume

The recovery volume is calculated by multiplying the acceptance rate (AQ) by the sum of warranty costs worldwide.

\[
\text{Recovery volume} = \text{AQ} \times \text{warranty costs of the supplier worldwide}
\]
3.5.3 Invoicing in Standard Recourse

The warranty costs are determined for each calendar year (“year incurred”, meaning the year, in which the damage incurred). The supplier usually receives an annual debit memo from Daimler for the recourse volume recorded in the past calendar year in Daimler systems worldwide and the claims assigned to the supplier.

4 Handling of Procedures for Special Recourse

Special recourse occurs for defective deliveries if these have led to a recall, series damage or damage to other components.

4.1 Recall

A recall within the meaning of these regulations occurs if, on account of a defective product and the resulting violation of statutory or official regulations, particularly safety or environmental regulations, actions to remedy the defects in vehicles (“field measure”) are ordered by the responsible offices or performed voluntarily by Daimler in compliance with provisions. Also considered recalls are all field measures performed on account of a defective product if they serve to defend against risk to life and limb.

4.2 Damage to Other Components

Damage to other components occurs if, as a result of defective delivery or performance by the supplier, vehicle components other than the defective one are damaged or if other parts have to be exchanged or replaced in the course of repairs to the defective part delivered.

4.3 Series Damage

Series damage occurs in the event of every defect that, based on goods of the same type delivered in one production month (calendar month) leads to a defect rate in vehicles of more than 3% (defective vehicles/total vehicles produced). In the event of a defect rate of less than 3%, it will be coordinated with the supplier whether this damage will also be treated as series damage.

4.4 Processing of Warranty Claims

Individual agreements will be concluded with suppliers on the processing of Daimler warranty claims for special recourse. The processing regulations for standard recourse (section 3 of these regulations) do not apply.

5 Claims Despite Acceptance

The acceptance or approval of submitted samples by Daimler and compliance with test provisions do not affect Daimler’s claims. Daimler’s claims also remain unaffected if the defective goods or defective parts of them are manufactured or supplied by a sub-supplier.

6 Other Rights

Other statutory or contractual rights of Daimler remain unaffected by these regulations.
Failure Mode and Effects Analysis (FMEA)

The supplier must create and maintain a FMEA for the product and process for the system and components which are to be developed/supplied in a timely manner using a suitable system. In this case, the procedure must correspond to VDA Volume 4, Chapter 3. The supplier is responsible for its own FMEA scope.

The interfaces of the FMEA must be coordinated with the responsible DAIMLER department in advance. If necessary, the DAIMLER divisions will specify the assessment of the significance of fault sequences (“significance B”).

If the system contains software, the system structure should preferably be presented in a function-oriented manner. The structure can be derived from a function analysis that describes the interaction of a system’s functions and sub-functions. The key software functions must be analyzed as with hardware functions and taken into account in the system structure.

Further requirements can be defined by DAIMLER in the requirement specifications or other applicable specifications and guidelines.

The FMEA documents must be provided to Daimler for inspection upon request.

All documents in connection with this process must be retained by the supplier in line with the legal regulations.
Delivery Call-off

DAIMLER's parts requirements are calculated using a mechanical process and are electronically transmitted, per item, in the “delivery call-off” form via electronic data transmission (EDI) or, in exceptional cases, via EDI web/fax. The form fields defined in the following correspond to VDA recommendation 4904. Minor deviations are due to DAIMLER’s internal organizational procedures. The EDI web procedure may only be used if this has been expressly agreed with DAIMLER.

Details of EDI communication are regulated in the EDI manual¹.

The contents of the following fields of the call-off of delivery must always be stated in the delivery notes and invoices:

- (5.1) Supplier no.
- (10) Customer’s reference
- (15) Additional customer data (if transmitted)
- (26) Unloading point
- (28) Customer’s item no.
- (29) Delivery designation
- (31) Quantity unit
- (67) Load carriers

The required quantities are allocated to precise calendar days over a short-term period (2-3 months). These daily deadlines must be adhered to as input deadlines. In the case of deliveries to DAIMLER plants outside of Germany, deviating delivery call-off dates may possibly be defined by the relevant purchasing contract. The sequence number (FZ) and the difference from the requirement FZ of the last delivery call-off are specified for each of these delivery installments. This makes it possible to see immediately what changes have occurred in comparison to the previous program. Required quantities must only be delivered on the basis of the latest delivery call-off.

In the event of full or partial annulment of order quantities, DAIMLER undertakes the purchase commitment for the ordered product or the feed stock required for this for the periods of time defined in the “production or material release” fields.² The purchase commitment refers to the highest progressive total in the periods “production release” and “materials release”. Delivery is to be coordinated with the respective order scheduler.

² The purchase commitment “1+2” applies in the Mercedes Car Group; the purchase commitment “2+2” applies in the Mercedes-Benz Commercial Vehicle Division: The quantity designated under production release is firmly ordered. Delivery must be based on the latest call, however. The quantities inserted under material release entitle material requirement planning, not production. Quantities required beyond these periods are target figures that are for information only. If consignments in addition to the latest deliveries to be indicated are on their way to us, these quantities are to count towards the next delivery installment to fall due. Changes (replenishment orders or initial orders of new parts and rescheduling or cancellations) that are disclosed to you as a result of changes in call-off and delivery plans should be entered under the current call-off, until a new call-off is received.
The “production and materials release” period begins with the day the delivery call-off is drawn up and applies (as long as no new call-off is provided), progressing daily, to the stated period. Quantities printed out which exceed these requirements are planning figures which serve only information purposes.

Delivery call-off confirmation is not necessary, as DAIMLER assumes that the specified requirement quantities and delivery dates will be adhered to. In exceptional cases, requests for changes are to be immediately discussed and agreed with the materials scheduling unit in charge and, where appropriate, confirmed using a copy of the call-off. If the supplier is unable to meet the delivery deadline, it is obligated to notify the relevant DAIMLER plant’s MRP department.

As the required quantities are calculated on the basis of the incoming goods sequence number, it is vital that the supplier check the plausibility of the delivery sequence number of the most recent delivery call-off in order to avoid top-up quantities or overstocking, and that the responsible material requirements planner be informed immediately in the event of differences.

Modified handling of delivery call-offs in connection with delivery processing via LLZs as the supplier warehouse is regulated by MBST 33. DAIMLER must inform the supplier of changes regarding the required quantity forecast in the LAB (delivery call-off). If the supplier, relying on notification of the forecast, required quantity, has produced goods and DAIMLER’s actual requirements have changed due to circumstances within the scope of DAIMLER’s risks, footnote 2 applies accordingly.

There are various processes that require that the same parts have different EGS1 codes in the supply chain (e.g. EGS 0005 for customer service parts, EGS 0064 for parts with different origins, EGS 0080 for new parts identified as reconditioned parts). The supplier must be able to process parallel call-offs with and without supplementary codes.
General Packaging Regulation and Handling of Containers

1. General Regulations

DAIMLER uses reusable packaging known as containers in the delivery of parts by suppliers. Communication between DAIMLER and its suppliers on container management processes takes place via Electronic Container Management (eCon).

2. Handling of Containers

When using the containers required for parts deliveries, the supplier will comply with the regulations of the container management process manual. If, in addition, specific packaging requirements necessitate deviations from the regulations of the container management process handbook, a jointly coordinated solution must be agreed between the affected partners:

- for production material, with the responsible packaging planner at the recipient plant (see eCon),
- for Mercedes-Benz original parts with the responsible Global Logistics Center packaging planner,
- for raw materials and supplies: with the respective purchasing officer.

If several plants are affected by the exception, the supplier undertakes coordination for all of the affected recipient plants.

2.1. Member Plants in the DAIMLER Container Pool

The supplier may only supply those plants affiliated to the DAIMLER container pool (see eCon) with containers made available by the DAIMLER container pool. In the event that non-affiliated plants or companies are supplied, the corresponding number of containers will be invoiced to the supplier.

2.2. Packaging Definition

The packaging is defined by the recipient plant’s responsible container planner in coordination with the supplier. The packaging data sheets are available in eCon. Different packaging can be defined for common parts in different plants.

If the supplier fails to adhere to the defined container, DAIMLER reserves the right to invoice the supplier for the additional costs which are incurred (e.g. repackaging costs and administrative expenses).

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1 See Daimler Supplier Portal at http://daimler.covisint.com
2.3. Requirements Planning and Requirements Determination

In the case of pool containers, a supply requirement calculation based on the defined container, its capacity, part requirements and the container circulation factors, is carried out by DAIMLER for each container type. Any special requirements must be taken into account. Alternatively, a fixed quantity can be agreed with the plants.

In the case of non-pool containers, requirement determination is carried out jointly by the supplier and the recipient plant’s container planner based on the planned production figures and the container circulation factors.

The recipient plant’s responsible container planner must be informed of changes in the form of delivery or logistics chain (e.g. LLZ deliveries, special requirements) and relocations immediately when these become known.

2.4. Procurement of Containers Built to DAIMLER Designs

Containers according to DAIMLER designs are usually procured by DAIMLER. The containers procured by DAIMLER are the property of DAIMLER. If containers or copies of DAIMLER designs are procured or brought into circulation by suppliers, these containers may be separated out and possibly returned at the expense of the culpable supplier.

2.5. Procurement of Multi-manufacturer Designs, e.g. VDA Containers, EWPS)

As a rule, such containers are procured by DAIMLER. Suppliers themselves can procure any additional supplier requirements. All parties involved are responsible for the functional capability of the container pool.

If multi-manufacturer designs (e.g. EWPS) are procured by the supplier, the supplier is the owner and bears corresponding responsibility (repairs, replacement)

2.6. Supplier Designs

The supplier may design and procure containers subject to its own responsibility following prior coordination with DAIMLER. The supplier is obligated to identify these containers with an official DAIMLER container number, which must be requested from the responsible container planner. The supplier is the owner and bears corresponding responsibility (repair, provision on schedule and as required).

2.7. Usage Charge

If containers are procured by DAIMLER, the costs of procurement and operation are borne in partnership. The supplier’s share is invoiced via a usage charge. If procurement is carried out by the supplier, no invoicing is carried out.

The usage charge distinguishes between a rental system and a debiting system. The significant characteristics of these processes are stored in the container management process handbook.

All containers of relevance to the rental system and their rental prices per calendar day are stored in eCon. DAIMLER creates quarterly rental bills and provides the annexes for calculating rent on eCon.

Within the debiting system, cost participation is incurred for all containers not included in the rental system.
2.8. Control of Supplies

Empties are supplied by the relevant DAIMLER recipient plant on the basis of account management and requirement planning. The suppliers shall support steering by constantly checking the stock of empties and booked stocks and, in the event of container bottlenecks, shall contact the plants' empties dispatch departments within good time. Unless otherwise agreed, the supplier will usually be provided with series production containers for the first production test (e.g. PRO 1, try out 1) in the event of series production launches.

2.9. Account Management

The master data for the containers managed centrally with the supplier can be viewed in eCon. Account management is performed by DAIMLER. The data quality (e.g. delivery note data and shipping waybills) directly influences needs-driven container supply and the level of the usage charge.

DAIMLER creates monthly container account statements and makes these available to the supplier for checking in eCon. These form the basis for differential declarations within the framework of stock taking and for rental price invoices. The account statement is regarded as approved if no written objection is lodged with the responsible DAIMLER plant within 14 days of receipt, enclosing the corresponding booking documents. Following the expiry of this period, the supplier can only demand adjustments if it verifies incorrect stock determination, unless the supplier was aware or should have been aware of this inaccuracy.

DAIMLER reserves the right to compare the plausibility of the booked stocks based on the requirement and stock values derived from the delivery call-offs. The supplier shall return excess stocks which are determined to DAIMLER. If the containers are not returned, DAIMLER is entitled to procure replacements and invoice the supplier for the costs which are incurred at standard prices.

2.10. Inventory/Stock Taking

Annual stock taking is carried out by the supplier for all containers managed centrally. The supplier must record the stock taking results in an electronic stock taking list via eCon. Additional stock taking during the year may be necessary for containers not managed centrally (e.g. in the event of availability bottlenecks).

Replacements are procured by DAIMLER if negative differences are found; these are also invoiced to the supplier if the supplier is culpable. If the supplier subsequently corrects its original inventory report and DAIMLER has already procured the reported quantity of missing containers, the supplier shall recompense 10% of the repurchase value.

Should the supplier fail to comply with its obligations to count the container stocks and report these figures to DAIMLER in good time, DAIMLER is entitled to charge any resulting expenses to the supplier. In particular, DAIMLER is entitled, according to the mean inventory loss at DAIMLER, to take 10% of the container stock booked for the plant on the inventory date as the basis and to invoice this to the supplier at the standard price. The charges levied can not be offset in inventory reports in subsequent years.
Shipment of Goods

1. General
The following regulations refer to the shipment of goods, including the requirements pertaining to the creation of delivery notes and goods labels.

1.1. Declaration of the Origin of Goods
If the supplier's place of business and/or production plant is located within the European Union, the supplier must issue a supplier declaration on the basis of the applicable provisions governing the preferential origin of goods in accordance with Directive (EU) 1207/2001 (individual or long-term declaration). The supplier must also state the non-preferential origin (for the purposes of commercial law) pursuant to Art. 22 et seq. Directive (EU) 2913/92 or Art. 35 et seq. Directive (EU) 450/2008.

• The supplier always receives a) a request to issue the supplier declaration incl. a description of the mandatory procedure, or b) a corresponding letter along with the supplier declaration form to be used. The supplier makes the signed supplier declaration available to DAIMLER within four weeks of receiving the request/letter, but on delivery at the latest.

• If, in exceptional cases, the supplier generates the supplier declaration on its own stationery or transfers preference/origin information by means of electronic data transmission (EDT), this procedure must be agreed with DAIMLER in advance.

If the supplier’s place of business and/or production plant is located in a country with which an EU free trade agreement exists, it shall issue proof of preference (movement certificate / declaration of origin on the invoice) for each delivery. The provisions of the free trade agreements must be observed.

1.2. Deliveries in Accordance with Incoterms 2010/Groups E and F
In the case of deliveries “FCA (specified location)” or other terms of delivery in accordance with Incoterms 2010/Groups E and F, the supplier shall only transfer the goods to the movers commissioned by DAIMLER. The supplier is not permitted to interpose a mover. If, contrary to the agreed terms of delivery, the supplier delivers the goods to DAIMLER itself, the supplier bears the freight costs and risk up to transfer to DAIMLER.

1.3. Deliveries in Accordance with Incoterms 2010/Group D
If the supplier commissions the mover, the mover and the vehicle configuration to be used must be coordinated with the DAIMLER recipient plant’s transport logistics or incoming goods departments.

1.4. Deadline Goods
Deadline goods are to be unequivocally declared as such to the mover and the receiving department of DAIMLER. The supplier notes date and time of arrival at DAIMLER on the shipping order, which is handed over to the mover. Deviations from existing delivery time slot agreements must be
agreed in advance with the transportation-logistics department or the unit that receives goods at the receiving plant.

1.5. **Shipping/Transport Sequence Disturbances**

Any disturbances in the specified sequence, including disturbances caused by 2nd tier suppliers, must be immediately reported by the supplier to both the mover and the responsible planning department of the affected DAIMLER plant, orally and via fax, precisely specifying the reason for and the type of disturbance. Disturbances must be promptly remedied. If there is a disruption to transportation as previously advised, any resulting costs to movers must be borne by the supplier.

1.6. **Excess/Prior Deliveries**

The supplier is only entitled to carry out partial deliveries, deliveries prior to the issue of a delivery call-off and additional deliveries with the prior written consent of DAIMLER. If, counter to this stipulation, the supplier transfers the goods to a mover or carrier, etc. commissioned by DAIMLER, the supplier bears the risk up to transfer in the DAIMLER recipient plant. Logistical costs for storing or returning unauthorized excess/prior deliveries are borne by the supplier.

The requirements and delivery dates called up in line with MBST 17/18 must be complied with by the supplier.

If, contrary to these agreements, requirements and delivery dates are not complied with, DAIMLER can charge proven resulting costs (e.g. additional work, rental cars) to the supplier in accordance with statutory provisions.

1.7. **Weight Determination**

The supplier is responsible for properly determining the gross weight and tare weight of the shipment. If weights are improperly stated, DAIMLER passes on the added freight charges, plus processing fee, to the suppliers.

1.8. **Information Obligation**

Planned changes to a shipment location, e.g. due to the relocation of production to a different supplier plant or the establishment of a shipping warehouse different to the previous location, must be reported to materials purchasing. In cooperation with the plants involved, this creates an economic viability analysis, the results of which are included in pricing for parts. A physical change in the delivery location can only occur after a corresponding amendment to the purchase agreement and thereby DAIMLER’s approval. If a change in delivery location occurs without DAIMLER’s approval, the supplier shall bear all costs incurred as a result.

1.9. **Shipment of Hazardous Goods**

Consignments supplied by the supplier for transportation must comply with the provisions governing the carriage of hazardous goods. The obligations and responsibilities borne by the supplier as the sender, packer/filler and loader arise from section 9 GGVS (German hazardous goods road transport regulations) or Chapter 1.4 ADR. The supplier shall be responsible for all losses incurred as a result of non-compliance with the legal provisions.

1.10. **Driving Bans**

In the case of all delivery conditions in accordance with Incoterms 2010/Group D, the supplier shall make sure that delivery of the goods is ensured by the delivery date specified in the call-off even in the event that driving bans are imposed.
1.11. Return Goods

Return transportation of goods for which the supplier is to blame will be organized by DAIMLER, unless previously agreed otherwise in writing. Costs invoiced directly by the mover to the supplier are borne by the supplier.

1.12. Stock Taking on Integration into Stock

For deliveries at the point in time of stock taking in the DAIMLER plants, all goods in the possession of the mover (according to the last acceptance date announced by the plants) are inventoried by the supplier and insured against “loss of goods”.

2. Types of Shipping

2.1. Package Shipments

In the case of “FCA (...specified location)” shipments and other delivery conditions in accordance with Incoterms 2010/Groups E and F, all package shipments up to 32 kg must be transferred to the package service defined and commissioned by DAIMLER.

2.2. Truck Shipment

Within the framework of the performance of its services for DAIMLER, the supplier shall ensure that only properly employed driving personnel is employed in accordance with sections 7b and c GüKG (German carriage of goods by road act). DAIMLER reserves the right to monitor and document compliance with this obligation within the provisions of the law. The supplier shall indemnify DAIMLER against the claims of third parties arising from non-compliance with this obligation, so far as it is responsible for such non-compliance.

2.3. Rail Shipment

Rail shipment is only permissible if expressly requested by DAIMLER and the processing modalities have been agreed in writing in advance in individual cases.

3. Shipment Processing

3.1. Notification

The due incoming goods deadlines listed in the DAIMLER delivery call-offs apply to delivery to the affected DAIMLER plants within the regular goods acceptance times. The duration of transportation from the supply plant to the mover must be taken into consideration in the notification time. The supplier is responsible for adherence to the arrival deadlines of the shipments at DAIMLER, and must therefore announce and provide the shipments to the mover for transportation within good time. The “planned quantity” of the current call-off must be notified to the mover for transportation in writing by 16.00 hours on the day prior to provision.

Notifications after 16.00 hours and notification changes (+/- 500 kg or +/- 2 cbm per shipment) necessitate a special tour number or other written coordination with the corresponding DAIMLER plant including assignment of the additional costs. If this is not the case, the goods are not transferred. Additional costs caused by uncoordinated, deviating or cancelled processing are borne by the supplier. The declaration for shipment must contain the following information:

- Weight, number and type of containers and number of load meters (poss. disposable pallets, crates, boxes and their stackability)
- Recipient plant/shipping address with precise specification of the unloading station(s)
- Arrival date/ arrival time, if possible
- Hazardous goods classification
3.2. Provision

On the shipping date, shipments must be provided for collection, ready for shipping, by 14.00 hours at the latest. Collection of the shipments between 06.00 and 18.00 hours must be enabled. Provision must be agreed between the mover and the supplier. If the shipments are not provided in good time, the costs of any special measures which become necessary must be borne by the supplier.

3.3. Shipping Order VDA 4922/Waybill

Shipments may only be surrendered to the mover with a fully completed shipping order specified by VDA 4922 or with a waybill. Details of the type and number of containers must be broken down by unloading point. Shipping order forms can be ordered from the mover for a fee.

3.4. Customs Documents

All documents and information relevant to customs, e.g. preference papers (EUR. 1, UZ Form A and commercial invoice in triplicate), must be supplied to the mover.

3.5. Goods Labels

All packages and containers (all individual containers/small containers/special containers in the case of a container and the basic container) must be provided with a goods label with barcode (code 39) in accordance with the relevant, valid version of VDA recommendation 4902. The field contents and any possible deviations from the above mentioned VDA recommendation arise from the EDI manual¹.

3.6. Loading

Loading and dispatch must be performed without delay once the vehicle has been made available. If the supplier carries out the loading, it must load the goods in such a way that they will be safe for transportation and must follow the instructions of the shipping agent’s drivers In respect of safe loading. Refer to DAIMLER Guideline 9.5² for further details on securing loads in DAIMLER containers.

Under the prerequisites of timely loading which is safe for transportation purposes, unloading station-friendly sorting must be ensured.

When shipping partial loads which are not transferred at a shipping terminal (clarification of this procedure immediately on notification of the shipment), the goods must be loaded separately on the truck according to unloading zones.

Combinable package freight and part shipments for several sub-plants at one place of delivery are to be dispatched centrally. Complete loads for several sub-plants at one place of delivery can be dispatched via decentralized shipping points at any time.

3.7. Processing Times

The delivery of empties must also be possible at the same time as collection. On provision of the truck within the agreed time frame, the unloading of empties for the supplier and loading incl. administrative processing must be carried out within the following times:

¹ See Supplier Portal at http://daimler.covisint.com
² See Standard Information System (SIS) on Supplier Portal at http://daimler.covisint.com
- Package freight up to 2.5 t or up to 10 cbm max. 30 minutes
- Partial loads up to 10 t or up to 40 cbm max. 45 minutes
- Full shipments max. 60 minutes

At the request of the mover, the supplier is obligated to confirm the start and end of vehicle provision on a docket. Delayed processing plus inappropriate loading and waiting times lead to additional costs and must be borne by the supplier.

3.8. Verification of Delivery

If damage or deviations in the scope of delivery are determined by DAIMLER on delivery, DAIMLER may demand that the supplier submit a written declaration, within 2 working days, regarding undamaged and complete transfer of the delivery to the mover commissioned by DAIMLER.

3.9. Extra Tours

Unscheduled extra tours at short notice are usually organized by the supplier and processed via the mover selected by DAIMLER in coordination with the supplier. Approval is issued by the Materials Scheduling depts of the DAIMLER factories in agreement with the suppliers. DAIMLER will pass on the costs of extra tours to the responsible party.

3.10. Production Supply

In the event goods are rejected or disturbances occur en route, the supplier must see to it that replacement deliveries to the receiving factory or the commissioned mover are possible at any time.

3.11. Delivery Note

The following applies to the combination variants for EDI and delivery documents: Variant 1 must be used. Variants 2 and 3 are only intended for emergency processing (failure EDI).

<table>
<thead>
<tr>
<th>Version</th>
<th>Electronic data transmission</th>
<th>Delivery note</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EDI according to VDA 4913</td>
<td>EDI delivery note according to VDA 4912</td>
</tr>
<tr>
<td>2</td>
<td>EDI according to VDA 4913</td>
<td>Delivery note according to DIN 4991</td>
</tr>
<tr>
<td>3</td>
<td>Without</td>
<td>Delivery note according to DIN 4991 compulsory</td>
</tr>
</tbody>
</table>

Notes on delivery note creation according to DIN 4991 and on shipping processing can be found in the EDI manual.

A separate set of delivery notes must be created per unloading station, MDI or MEI and initial samples. Delivery note creation is carried out according to DIN 4991. Deviations must be noted in the case of fields 6 and 8, which have to be completed as obligatory fields. Refer to the EDI manual for further details.

3.12. Security in the Supply Chain

In the interests of securing the supply chain, the business partner undertakes the following with respect to goods produced, stored, transported and delivered to Daimler AG or collected by Daimler AG at the order of Daimler AG:
- To produce, store, process and load the goods at secure operating facilities and transportation hubs.
- To protect goods from unauthorized access during production, storage, processing, loading and transport.

The business partner warrants that the staff involved in production, storage, processing, loading, transport and handover are reliable.

Sub-contractors of Daimler AG’s business partner operating on its behalf must be informed that they are also required to introduce measures to secure the supply chain.
Rules for Delivery via a Supplier Logistics Center (LLZ) by the Supplier to DAIMLER

I. General

The Supplier Logistics Center (LLZ) is one of the standard supply processes used to supply DAIMLER plants with production material. On use of an LLZ, the intention of both contracting parties – DAIMLER and the supplier – is to jointly reduce the logistical and process costs and to optimize the entire logistical process. LLZ are being set up and operated with this end in mind.

This should result in the following advantages for both partners:

- Disappearance/reduction of warehousing at the production site of the contractor
- Use of released storage space for new value-added processes
- Disappearance of operational handling stages and reduction of administration costs for the contractor
- Reduction of pre-production costs/times at the supplier owing to optimum batch sizes
- Increase in production capacity at the supplier via the optimization of pre-production time
- Optimization of stocks of materials within the process as a whole
- Flexible use of warehouse capacity of LLZ for optimum inventory management
- Greater availability of materials and minimization of special activities
- High level of transparency in the overall logistics process sequence.

DAIMLER and the supplier agree the following provisions for use of such a Supplier Logistics Center, whereby a distinction is drawn between two different control models:

- Rules for delivery via a Supplier Logistics Center managed by DAIMLER as warehouse keeper (internal LLZ).
- Rules for delivery via a Supplier Logistics Center controlled by an external service provider as warehouse keeper (hereinafter referred to as “ESP”) (external LLZ).

Both control models allow for the physical location of the LLZ either at the DAIMLER plant or off-site.

The form of LLZ chosen is set down in detail in process descriptions (usually described as a Process Handbook). This process description is provided to the supplier as part of integration.

This process description will be made available in the Supplier Portal for the supplier to call up at http://daimler.covisint.com.
II. Rules for delivery via a Supplier Logistics Center managed by DAIMLER as warehouse keeper (internal LLZ)

1. Subject Matter of the Agreement

1.1. The supplier commissions DAIMLER, as the warehouse keeper, to manage an LLZ. DAIMLER is entitled to use third parties in carrying out its commission. As regards the goods removed from storage, this commission ends with removal of the goods from the LLZ.

1.2. Management of the LLZ as a supplier warehouse is carried out at the expense of the supplier.

2. Delivery of Material

2.1. DAIMLER will notify the supplier of the forecast requirement by means of the delivery call-off. The relevant, current delivery call-off (LAB) helps the supplier to plan production and does not function as a binding order in terms of quantity and deadline. Based on this information, the supplier takes the appropriate action to ensure that it delivers the right quantity of goods to the LLZ at the right time to meet DAIMLER’s production needs. The operating hours of the relevant LLZ must be taken into consideration in this case.

2.2. Minimum inventory ranges may be agreed between the supplier and DAIMLER for each item number. If this is the case, these will be jointly determined in such a way that DAIMLER is able to integrate the goods from the LLZ into the production process at precisely the right time and in precisely the right quantity. If no minimum inventory range has been agreed per part number, the minimum range shall be three working days.

2.3. If no supplier stocks, from which a DAIMLER production call-off can be supplied, are available in the LLZ, a LLZ bottleneck call-off may be transmitted to the supplier.

The supplier undertakes to meet a LLZ bottleneck call-off order from DAIMLER by making a delivery to the LLZ within 8 hours. If this period cannot be adhered to due to the distance between the supplier’s production plant and the LLZ (e.g. overseas), and if the supplier has announced this in good time, the parties may implement a different regulation.

The obligation to adhere to the above 8-hour period does not apply if the LLZ bottleneck call-off deviates significantly from the required LAB quantity forecast up to this point in time. The binding nature of the LLZ bottleneck call-off is otherwise unaffected.

If the supplier is unable to adhere to the agreed delivery route in order to meet this period, it must bear the cost of any special transportation.

2.4. Maximum delivery limits per item number and LLZ may be defined between the supplier and DAIMLER as warehouse keeper.

These should be jointly defined to enable the supplier to reduce its process costs. The limited capacities of the relevant LLZ must be taken into consideration in this regard. As the LLZ warehouse keeper, DAIMLER bears responsibility for achieving this, and has the competence to do so. If no agreement is reached, DAIMLER, as the warehouse keeper, is entitled to set the maximum limit under consideration of the available warehouse capacity. If no such limit has been set, a range of 20 working days applies.

If the maximum limits are exceeded, DAIMLER, as the warehouse keeper, reserves the right to return these deliveries or debit the corresponding, additional costs.

2.5. Following prior consultation, the supplier empowers DAIMLER to carry out quality control checks on the supplier’s goods located in the LLZ.
2.6. The supplier is entitled to examine goods from its LLZ stock during the usual operating hours of the LLZ (e.g. quality and quantity) and to remove them from stock.

3. Services

3.1. Acceptance of the goods and immediate execution of a check regarding quantity, identity, externally visible defects, damage and loss by DAIMLER as warehouse keeper.

On detection of defects, damage, short deliveries or loss, DAIMLER, as the warehouse keeper, immediately clarifies the party at fault and informs the supplier and poss. the shipping agent/carrier (if this was the party at fault) of the facts in writing.

The supplier is responsible for correct quantity/package data, the flawless condition of the delivered goods and delivery in the prescribed containers. Paragraph 4 of the “Conditions of Purchase for Production Material and Spare Parts for Motor Vehicles” remains unaffected.

3.2. Proper warehouse keeping, including stock management and ensuring adherence to “first in - first out”.

In addition – if commissioned to do so by the supplier (see paragraph 9.) - execution of stock taking.

3.3. The supplier empowers DAIMLER to withdraw its goods from the LLZ according to DAIMLER production call-offs. As a rule, this occurs in complete load carriers. Storage for the supplier by DAIMLER as warehouse keeper ends on removal from storage (see Transfer of Title, paragraph 4.).

3.4. On removal from the LLZ, DAIMLER as warehouse keeper creates a delivery note, which is transmitted to the supplier via EDI. Based on this information, DAIMLER produces a credit note for the supplier or the supplier invoices DAIMLER for the delivery made.

3.5. DAIMLER as warehouse keeper informs the supplier of warehouse additions and withdrawals, and the resulting stocks of the item number scope belonging to the supplier on a daily basis.

4. Passage of Risk and Transfer of Title

4.1. If DAIMLER is responsible for transportation, the risk is passed to DAIMLER in the relevant function in which DAIMLER is engaged (transporter, warehouse keeper, purchaser) on transfer to the transportation person.

4.2. If the supplier is responsible for transportation, the risk is passed to DAIMLER on transfer to DAIMLER as warehouse keeper.

4.3. If goods are removed from the LLZ by the supplier or on behalf of the supplier, the risk for these goods passes to the supplier at the time of removal.

The risk also passes to the supplier in the case of partial delivery quantities which exceed the maximum limits defined under paragraph II.2.4.

4.4. Notwithstanding the above provisions, transfer of title occurs in accordance with paragraph 14 of the “Conditions of Purchase of Production Material and Spare Parts for Motor Vehicles”.
5. **Billing for LLZ Withdrawals**

5.1. The time of removal from the LLZ is authoritative for the issue of a credit note by DAIMLER (if the credit note procedure is used) or the issue of an invoice (if invoices are issued by the supplier).

5.2. The supplier can request DAIMLER to reclassify as its own stock any forecast requirements still held in the LLZ at the end of an agreed period after the forecast delivery date, and may demand payment for same. There will be no automatic reclassification. The period of custody ends when the goods are reclassified. If no special arrangement has been agreed, the period shall amount to eight weeks after the goods have fallen due for delivery.

6. **Remuneration for Warehouse Management**

6.1. The supplier shall bear the LLZ management costs (e.g. storage areas, shelving, forklifts, shelf-operating appliances, personnel, insurance costs). Remuneration for the LLZ management services is based on a fixed price per defined unit and is based on the applicable price list. The prices include all LLZ services, from receipt to supply of the goods to DAIMLER.

6.2. In the event of a change to the price list, the cost implications of the changes will be discussed and agreed between DAIMLER and the supplier.

6.3. Charges are generally settled each month by means of a credit entry in the supplier account. The invoice also contains evidence of the incoming containers.

6.4. If goods are brought by the supplier or on behalf of the supplier from the LLZ to the supplier's plant or another location, DAIMLER is entitled to debit the additional handling costs and the percentage of incoming freight costs incurred on delivery to the LLZ from the supplier, if DAIMLER had to bear any such costs.

6.5. The remuneration of individual services (e.g. additional stock taking) will be individually agreed between DAIMLER as warehouse keeper and the supplier.

7. **Warranty, Liability, Insurance**

7.1. DAIMLER as warehouse keeper guarantees proper execution of the storage services referred to above.

7.2. For defects, loss and damage, which occur to the supplier's goods during work carried out by DAIMLER as warehouse keeper or in the event of non-observance of the accepted storage obligations, DAIMLER as warehouse keeper bears liability up to the total value of the goods.

7.3. DAIMLER as warehouse keeper has taken out insurance to protect against elementary damage, which also covers the value of the supplier's goods in the LLZ. The supplier's percentage insurance contributions are included in the management costs.

8. **Tax Provisions**

The supplier is responsible for complying with provisions applying to taxation, in particular VAT regulations, as well as provisions relating to trade statistics connected with the delivery of goods via its supplier store.
9. **Inventory**

9.1. The supplier must include goods, which are either in the course of being transferred to the LLZ or have not yet been withdrawn from the warehouse in its inventory. DAIMLER as warehouse keeper will provide inventory data free of charge once per year. More extensive stock taking activities are subject to a charge.

9.2. MBST 28 applies to annual container stock taking.

III. **Rules for Delivery via a Supplier Logistics Center Managed by an External Service Provider as Warehouse Keeper (external LLZ)**

1. **Subject Matter of the Agreement**

1.1. The supplier empowers DAIMLER to commission external service providers (ESP) as warehouse keepers, on behalf and at the expense of the supplier, to manage a LLZ and to terminate this contractual relationship.

1.2. The LLZ is managed as a supplier store by an external service provider on behalf of and for the account of the supplier. As regards the goods removed from storage, this ESP commission ends with removal of the goods from the LLZ.

2. **Delivery of Material**

2.1. DAIMLER will notify the supplier of the forecast requirement by means of the delivery call-off. The relevant, current delivery call-off (LAB) helps the supplier to plan production, and does not function as a binding order in terms of quantity and deadline. Based on this information, the supplier takes the appropriate action to ensure that it delivers the right quantity of goods to the LLZ at the right time to meet DAIMLER’s production requirements. The operating hours of the relevant LLZ must be taken into consideration in this case.

2.2. Minimum inventory ranges may be agreed between the supplier and DAIMLER for each item number. If this is the case, these will be jointly determined in such a manner which enables DAIMLER to integrate the goods from the LLZ into the production process at precisely the right time and in precisely the right quantity.

If no minimum inventory range per part number has been agreed, the minimum range shall be three working days.

2.3. If no supplier stocks, from which a DAIMLER production call-off can be supplied, are available in the LLZ, a LLZ bottleneck call-off may be transmitted to the supplier.

The supplier undertakes to meet a LLZ bottleneck call-off order from DAIMLER by making a delivery to the LLZ within 8 hours. If this period cannot be adhered to due to the distance between the supplier’s production plant and the LLZ (e.g. overseas), and if the supplier has announced this in good time, the parties may implement a deviating regulation.

The obligation to observe the above 8-hour period does not apply if the LLZ bottleneck call-off deviates significantly from the required LAB quantity forecast up to this point in time. The binding nature of the LLZ bottleneck call-off is otherwise unaffected.

If the supplier is unable to adhere to the agreed delivery route in order to meet this period, it must bear the cost of any special transportation.
2.4. Upper limits for delivery may be agreed between the supplier and the external service provider for each part number and LLZ. Express reference is made to the regulations contained in paragraph III.4.2. If no such limit has been set, a range of 20 working days applies.

2.5. Following prior consultation, the supplier empowers DAIMLER to carry out quality control checks on the supplier’s goods located in the LLZ.

2.6. The supplier is entitled to examine goods from its LLZ stock during the usual operating hours of the LLZ (e.g. quality and quantity) and to remove them from stock.

3. Services

3.1. External service provider receives the goods and immediately checks the quantity, identity, externally visible defects, damage and loss.

If defects, damage, incorrect deliveries or losses are detected, the external service provider must inform the supplier and DAIMLER in writing immediately. In these cases, the supplier empowers DAIMLER to determine the party responsible. This must be carried out immediately.

DAIMLER then immediately ascertains who is responsible and informs the supplier and the shipping agent/carrier (if this party was responsible) of the facts in writing.

The supplier is responsible for correct quantity/package data, the flawless condition of the delivered goods and delivery in the prescribed containers. Paragraph 4 of the “Conditions of Purchase for Production Material and Spare Parts for Motor Vehicles” remains unaffected.

3.2. Proper warehouse keeping, including stock management and ensuring adherence to “first in - first out”.

In addition – if commissioned to do so by the supplier (see paragraph 9.) - execution of stock taking.

3.3. The supplier empowers DAIMLER to withdraw its goods from the LLZ according to DAIMLER production call-offs. As a rule, this occurs in complete load carriers. When the goods are removed, the ESP ceases to store them for the supplier (see Transfer of Title, paragraph 4).

3.4. When goods are withdrawn from the LLZ, the ESP produces a delivery note which is transmitted to DAIMLER and the supplier via EDI. Based on this information, DAIMLER produces a credit note for the supplier or the supplier invoices DAIMLER for the delivery made.

3.5. The ESP informs the supplier and DAIMLER, on a daily basis or according to a jointly agreed rhythm, of additions to and withdrawals from stock, and of the resultant stocks of each item number of the goods belonging to the supplier.

3.6. The precise scope of services to be borne by the supplier will be agreed in detail between the supplier and the ESP. The ESP bills the supplier for these services directly.

4. Passage of Risk and Transfer of Title

4.1. On delivery via an LLZ, the risk passes to DAIMLER, as the purchaser, on withdrawal from the LLZ.

4.2. If DAIMLER is responsible for transportation, the transportation route risk is passed to DAIMLER on transfer to the transportation person. For LLZ management, DAIMLER will conclude a corresponding agreement with the ESP, according to which the ESP bears liability for the goods placed into storage, on behalf of the supplier as part of commissioning according to paragraph
The risk also passes to the supplier in the case of partial delivery quantities which exceed the maximum limits defined under paragraph III 2.4.

If goods are removed from the LLZ by the supplier or on behalf of the supplier, the risk for these goods passes to the supplier at the time of removal.

4.3. Notwithstanding the above provisions, transfer of title occurs as per paragraph 14 of the “Conditions of Purchase of Production Material and Spare Parts for Motor Vehicles”.

5. Billing for LLZ Withdrawals

5.1. The time of removal from the LLZ is authoritative for the issue of a credit note by DAIMLER (if the credit note procedure is used) or the issue of an invoice (if invoices are issued by the supplier).

5.2. The supplier can request DAIMLER to reclassify as its own stock any forecast requirements still held in the LLZ at the end of an agreed period after the forecast delivery date, and may demand payment for same. There will be no automatic reclassification. The period of custody ends when the goods are reclassified. If no special arrangement has been agreed, the period shall amount to eight weeks after the goods have fallen due for delivery.

6. Remuneration for Warehouse Management

6.1. The supplier shall bear the LLZ management costs (e.g. storage areas, shelving, forklifts, shelf-operating appliances, personnel, insurance costs). Remuneration for the LLZ management services is based on a fixed price per defined unit and is based on the applicable price list. The prices include all LLZ services, from receipt to supply of the goods to DAIMLER.

6.2. In the event of a change to the price list, the cost implications of the changes will be discussed and agreed between DAIMLER and the supplier.

6.3. The ESP generally issues invoices for its services on a monthly basis. The invoice also contains evidence of the incoming containers.

6.4. If goods are brought by the supplier or on behalf of the supplier from the LLZ to the supplier’s plant or another location, DAIMLER is entitled to debit the percentage incoming freight costs incurred on delivery to the LLZ from the supplier, if DAIMLER had to bear these.

6.5. Payment for additional services (e.g. additional stock taking) will be individually agreed between the ESP and the supplier.

7. Warranty, Liability, Insurance

Arrangements concerning warranty, liability and insurance are governed in the contract between ESP and supplier.
8. **Tax Provisions**

The supplier is responsible for complying with provisions applying to taxation, in particular VAT regulations, as well as provisions relating to trade statistics connected with the delivery of goods via its supplier store.

9. **Inventory taking**

9.1. The supplier must include goods in its inventory which are either in the course of being transferred to the LLZ or have not yet been withdrawn from the warehouse.

The supplier can, in its own name and for its own account, task the ESP to take the inventory.

9.2. MBST 28 applies to annual container stock taking.

**Annex:**

(See Supplier Portal under http://daimler.covisint.com)

Annex 1 Directory of LLZ Contacts in the Plants

Annex 2 Price list for the internal supplier logistics center (Düsseldorf, Wörth, Vitoria, Ludwigsfelde, Kassel, Mannheim, Gaggenau, EvoBus Ulm)
Communication with DAIMLER via Electronic Data Transmission (EDI)

1. General Section

1.1. Communication via EDI

To ensure a continuous, error-free and real-time flow of information, optimization of the exchange of data required in connection with the delivery process is an important objective for the global automotive industry.

EDI messages transmitted in line with the messaging standards developed. Further information can be found in section 1, “EDI in the procurement process”, of the EDI manual.

In view of this, the supplier is obligated to create and use the prerequisites required for communication with DAIMLER via EDI. The costs arising in this respect are covered by the price paid by DAIMLER for the deliveries.

Correspondence between the physical scope of the shipment, the content of the EDI message and the content of the documents accompanying the goods is vital to safeguard the logistical processes. In this regard, the supplier ensures that all of the necessary data and information are transmitted in full, in good time and without errors in the EDI transmissions.

1.2 Use of the Data Quality Management (DQM) System

To improve the quality of data during EDI transmissions and avoid costs incurred for reworking incomplete or incorrect data from the very start, DAIMLER provides its suppliers with an Internet-based DQM system. This enables suppliers to check independently the completeness and correctness of their data EDI transmissions in advance.

Further information on the DQM system is contained in the EDI manual (see item 1.5, section 3.4.).

1.3 Delivery Note Recording via the Internet as an Alternative to Standard EDI

As an alternative to standard EDI, suppliers which do not use their own data communication software can create and transmit delivery note data free of charge in the DQM application via the “Shipments – New shipment (302)” function. Further information on delivery note recording can be found in the EDI manual (see item 1.5) in section 3.4.

1.4 Additional Expenses due to Process Disruptions

In the event of incorrect or incomplete data communication transmissions, the supplier must bear the resulting costs, insofar as it has caused these. The level of the costs in this case is oriented towards the prime costs incurred by DAIMLER for subsequent processing:
Basic handling charge per bill of charges: EUR 50.00
Amount per delivery note number recorded: EUR 10.00
Amount per delivery note item recorded: EUR 5.00
Amount per EDI error to be corrected: EUR 10.00

A breakdown of costs is available from DQM.

1.5 EDI Manual

The EDI manual can be found in the global supplier portal http://daimler.covisint.com under “Co-operation & Tools” in “Downloads”.

2. Additional Regulation for Transmitting Change Status Information and MTC Deliveries
Valid for the Passenger Car Plants of the Brands Mercedes-Benz, SMART and Maybach and for the Berlin-Marienfelde, Ludwigsfelde and Düsseldorf Plants

In order to optimize the processing of design stage-critical scopes and to improve the quality of logistical processes, a few additional, DAIMLER-specific formats are required for specifying design and change statuses in the corresponding fields of VDA Recommendations 4913 and 4902.

To achieve this, record type 716, with all of the data elements described in the EDI manual (table 3.6.1.6), must be assigned to text field 1 for all parts, and the goods label according to VDA 4902 must additionally be filled with the data elements described in the EDI manual (section 5) in accordance with MBST 29.
Mercedes-Benz Special Terms 01/10

Regulation Concerning the Provision, Testing and Exchange of CAD and Electrics/Electronics Data

1. General

DAIMLER usually develops component parts, systems/modules and complete functions together with the supplier. Close communication and validation on the basis of a digital product description is required to structure the development process in an efficient, reliable and binding manner. To achieve this, continuous use of CAx tools such as Computer Aided Design (CAD), Engineering Data Management (EDM), electronic data transmission (EDI) and clear regulations for both parties are necessary. In the development department, early digital validation particularly involves packaging (digital mock-up of a full vehicle), constructability, calculation, kinematics plus production planning incl. production and ordering logistics. The after sales department uses the digital product description to support the spare part documentation process, the planning, creation and documentation of workshop and operating instruction information and of technical graphics and to support simulations.

2. Subject Matter

With regard to CAD data, the following provisions regulate the CAx/EDM process, i.e. project preparation, installation plus generation, testing and exchange; the scope to be provided by the supplier as well as the EDI. With regard to E/E data the following provisions regulate the EDI.

3. CAD Data Exchange

VDA recommendations VDA 4961/2, VDA 4950, VDA 4951 and VDA 4955 are therefore defined as binding for processing communication and validation processes between the supplier and DAIMLER. The EDI link must basically be used to exchange CAD and E/E data.

3.1. Standard Regulation (Minimum CAx/EDI Standard)

Based on the VDA recommendations, more precise, DAIMLER-specific terms and additions in the CAD handbook for product-describing data from DAIMLER (CAD handbook) will be defined via the relevant, current version.

The minimum CAx/EDI standard (so-called “standard regulation”) is defined in the CAD handbook, module CS048. This standard regulation is binding unless there are other provisions in requirement specifications. In each case, the basis of such other regulations is the CAD manual, which contains all relevant methods and standards.

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1 E/E data include software (e.g. hex, telematics files), software sources (ODX-F) plus relevant delivery notes and checksums (for hex file, ODX-F and Security Definition).
3.2. Affected Scopes

3.2.1. Development:
This affects all new, process-relevant CAD data or E/E data to be created or amended and any modifications to such data.

3.2.2. After Sales:
This affects all data for
a) spare parts defined in mutual coordination by the after sales and development departments and the supplier are affected.
b) the planning, creation and documentation of workshop and operating instruction information and technical graphics. This can also be product description data derived from 3D-CAD, e.g. in JT, Cinema4D or JPEG (2D images) format.

3.3. Use of Software
Data must be created, amended, forwarded and used with software that meets the agreed software requirements and allows the further usage and processing of data for commercial purposes. The supplier will ensure that its sub-suppliers are subject to the same requirements.

3.4. Procedure in Case of Non-compliance
If certain elements of the standard regulation (e.g. data quality requirements, EDI standards) are not met or only partially met, this impacts directly on supplier evaluation. Information regarding the affected elements and the CAx/EDM profiles is published in the engineering portal.

If the CAD 3D and CAD 2D data provided by the supplier are not to meet the agreements or requirements, the recipient’s department which is responsible for design or the department responsible for the process decides on the further procedure:
- Following consultation, generation of the missing scopes or reworking of CAD data by the supplier or by a service provider commissioned by the latter at the supplier's expense
- Following consultation, generation of the missing scopes or reworking of CAD data by a service provider commissioned by the DAIMLER at the expense of the supplier.

If DAIMLER incurs damages because the supplier fails to meet its specified contractual obligations, or fails to do so within good time, the supplier is liable to DAIMLER for resulting damages insofar as it is responsible for such damages.

3.5. Reference Sources
The standard regulation refers to the necessary installation environment (CATIA supplier packages, STEP Assembly Manager SAM). The CAD supplier packages are available as free downloads from the Engineering Portal.

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Sustainability and Environmental Protection

The following provisions regarding sustainability define the standards and criteria that DAIMLER AG suppliers must meet: adherence to internationally recognized human and employee rights, the prohibition of child labor and forced labor, observing and promoting ethical business conduct and adherence to legal standards and environmental rules, as well as preventive environmental protection. The sustainability rules are based on the DAIMLER Guideline on Sustainability and on our “Corporate Social Responsibility Principles” applying throughout the company. Moreover, they are based on the internationally accepted principles of the United Nations Global Compact (http://www.unglobalcompact.org) and the International Labor Standards of ILO (http://www.ilo.org).

The supplier hereby enters into obligation to comply with the following standards:

I. Working Conditions/Labor Standards

1. Wages and Benefits, Working Hours

Compensation and benefits are to be remunerated in accordance with the fundamental principles relating to minimum wages, overtime hours and statutory benefits. Working hours must be in conformity with all applicable laws, industry standards or relevant ILO conventions. Overtime should be voluntary and employees must be granted at least one day off following six (6) consecutive working days.

2. Child Labor Avoidance

For its enterprise, the supplier warrants that no exploitative child labor within the meaning of ILO Convention no. 182 is or was involved in producing or processing the products to be delivered, as well as that these products do not violate any obligations resulting from the implementation of this Convention or of any other applicable, domestic or international regulations on combating exploitative child labor. Moreover, the supplier warrants that its enterprise, its suppliers and their subcontractors have proactively taken targeted measures conducive to ensuring that exploitative child labor in the sense of ILO Convention no. 182 is ruled out where the production or processing of their products is concerned. The supplier will place its sub-contractors and their sub-contractors under a corresponding obligation and will perform controls and checks in this regard. DAIMLER will review the content of this undertaking and the supplier will submit proof of the measures taken should DAIMLER so request.

3. Freely Chosen Employment

The supplier will not employ anyone against their will or force them to work. Employees must be free to leave employment with reasonable notice. Employees must not be required to hand over government-issued identification, passports or work permits as a condition of employment.
4. Freedom of Association
Workers must be able to communicate openly with management regarding working conditions without fear of reprisals of any type. Workers need to have the right to associate freely, join labor unions, seek representation and join works’ councils.

5. Health and Safety
In its role as employer, the supplier ensures occupational health and safety in keeping with domestic standards and will promote continuous improvement of the workplace environment.

II. Business Ethics Standards

1. Anti-Corruption and Compliance
Within the framework of its commercial dealings with DAIMLER, the supplier is obligated to desist from all practices which may lead to penal liability due to fraud or embezzlement, insolvency crimes, crimes in violation of competition, guaranteeing advantages, acceptance of a benefit, bribery, acceptance of bribes or other corruption crimes on the part of persons employed by the supplier or other third parties. In the event of violation of the above, DAIMLER has the right to immediately withdraw from or terminate all legal transactions existing with the supplier and the right to cancel all negotiations. The above notwithstanding, the supplier is obligated to adhere to all laws and regulations applicable to both itself and the commercial relationship with DAIMLER.

2. Non-Discrimination
Harassment or discrimination against employees in any form is not acceptable. This applies without limitation for gender, race, caste, color, disability, union membership, political beliefs, origin, religion, age, pregnancy or sexual orientation.

3. Safety & Quality
All products and services will be delivered to meet the contractually specified quality and safety criteria, and will be safe to use for their intended purpose.

III. General Environmental Standards and Environmental Sustainability

1. General Environmental Responsibility, Environmental Performance of Production Activities and of Products
DAIMLER is committed to a system of integrated environmental protection, which addresses causes at the root, assesses the environmental impact of production processes and products in advance and integrates these into corporate decisions. In this context, products and production processes are designed using holistic principles to make them environmentally compatible and to use resources as sparingly as possible.

With regard to environmental protection, the supplier will act in accordance with precautionary principles, will take the initiative to ensure the promotion of greater environmental responsibility and will sponsor the development and dissemination of environmentally friendly technologies. In all stages of manufacturing, the supplier will ensure a high degree of environmental protection. This includes proactively preventing or minimizing the impact of accidents which may adversely affect the environment. Particular emphasis is given to the application and continuing development of
technologies serving to save water and energy that are characterized by strategies ensuring mini-
mal emissions as well as reuse and recycling strategies.

All products manufactured within the supply chain must meet the environmental standards appli-
cable to their respective market segment. This includes all materials and substances used in pro-
duction. Chemicals and other materials posing a hazard if released into the environment are to be
identified. A hazardous material management system is to be instituted for them that ensures ap-
propriate processes for their safe handling, movement, storage, recycling or reuse and disposal.

2. Establishment of Recycling and Disposal Concepts for the Products Supplied

In connection with the EU Directive on End-Of-Life Vehicles, the supplier is obligated to ensure the
following:

- Preparation and transfer of a component-related concept for drainage and pollutant removal.
- Compliance with labeling standards for materials and components according to VDA 260 and
  MB Standard 33035.
- Provision of a recycling concept for selected, supplied parts in coordination with DAIMLER.
- Highest possible level of plastic component recycling and use of renewable raw materials sub-
  ject to coordination with DAIMLER.

3. Confirmation of/Adherence to Substance Bans

Substances that are subject to legal restrictions or bans may only be contained in the materials or
parts which are supplied when subject to these regulations (e.g. chemicals ban directive, German
“End-Of-Life Vehicles Ordinance” (Altfahrzeug-Verordnung), REACH Regulation (EC) no.
1907/2006). DAIMLER requires its suppliers to be aware of the obligations from these regulations
and to comply with them. The supplier must therefore ensure the following:

- The provision of correct and complete IMDS material data sheets (from 2003) is to be ensured
  free of charge and is to be implemented, in the course of initial sample inspections of new or modi-
  fied products, at the latest two (2) months following a blank release (QG D). Any flawed material
  data sheets (MDS) will not be accepted and must be corrected at the latest three (3) months fol-
  lowing blank release. For more information on the basic release principles, see IMDS FAQ - Daimler
  IMDS supplier information on reviewing material data sheets: www.mdsystem.com. A retroactive
  requirement may be issued for material data sheets not submitted thus far. Although as a general
  rule no sample inspection is performed for carry-over parts, standard parts and parts serving small
  parts optimization as used in a new model series, material data sheets will have to be submitted
  regarding these parts also, should this be subsequently required.

- Registration/Non-approval and notification of substances: The supplier ensure that substances,
  substances in preparations and substances in products requiring registration are only delivered to
  DAIMLER if they are registered in accordance with Article 5 and Article 6 or Article 7 (1) of Regula-
  tion 1907/2006/EC for use by Daimler. The supplier similarly ensures that for substances in prod-
  ucts delivered that are subject to duty of notification in accordance with Article 7 (2), notification is
  performed by it or – if the product is not manufactured by it or was imported – an upstream sup-
  plier, or alternatively the substance is registered for its intended use (Article 7 (6)).

If substances subject to registration or substances stated in Annex XIV of the Regulation
1907/2006/EC are not permitted at the time of delivery for their contractually intended use or the
necessary notification in accordance with Article 7 (2) has not been issued, the supplier is required
to contact its REACH partner at Daimler without delay: reach-kontakt@daimler.com.
• Substances of Very High Concern (SVHC) in components, spare parts, miscellaneous items, accessories and packaging: If parts delivered contain a share of substances of very high concern (SVHC) specified on the candidate list in accordance with Article 59 (1) of Regulation 1907/2006/EC amounting to more than 0.1% of their weight, the contractor is required to automatically provide all information in accordance with Article 33 (1) of Regulation 1907/2006/EC on delivery. This also applies if such substance is only added to the candidate list during an ongoing supply relationship. The information must be provided in written form, preferably by IMDS (International Material Data System).

• Confirmation and observance of the substance bans according to the EU End-Of-Life Vehicles Directive (e.g. chrome (VI) freedom) in accordance with the agreed changeover scenarios.

• Adherence to the list of banned materials according to DBL 8585.

• Recommendations for a further reduction of interior emissions.

4. Holistic Accounting for Continuous Improvement of Products and Production

DAIMLER carries out environmental audits on the basis of ISO 14040 et seq. in order to determine and improve its overall environmental profile.

On request, the supplier shall therefore provide DAIMLER with information on the relevant products, materials and processes. DAIMLER assures suppliers that this information is kept strictly confidential and will only be used for the purpose of holistic Life Cycle Assessment.

The supplier shall make every effort to obtain such information also from its sub-suppliers (raw material and semi-finished product manufacturers, energy suppliers, residue recyclers, etc.). In this regard, the confidentiality declaration shall apply corresponding.

In order to guarantee a standardized, methodically validated flow of information, DAIMLER offers an introduction to the technique of holistic Life Cycle Assessment in order to carry out joint analyses as required.

The data must be provided in the specified documentation format (VDA data collection format for life cycle assessments). The period of time and data quality must be agreed between DAIMLER and the supplier.

The “Environmentally Friendly Product Development” (GR/PZU) department headed by Mr. Bruno Stark is available to answer any questions and to address any problems.

Tel.  0 70 31/90-4 29 80
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IV. Promotion of Standards in the Supply Chain

The supplier will forward the content of these sustainability provisions to its suppliers, placing them under the corresponding obligations, and will monitor and check compliance with sustainability provisions in the supply chain.