

Terms and Conditions of Purchase

As of: 2020 (BN_LT_09725_Rev. C)

§ 1. General, Scope of application

(1) These General Terms and Conditions of Purchase shall apply to all business relations (deliveries and services) with our business partners and suppliers ("Seller").

(2) These Terms and Conditions of Purchase shall apply exclusively. Any deviating or conflicting conditions shall not be recognized by us unless we have expressly agreed to them in writing.

(3) These Terms and Conditions of Purchase shall also apply to all future similar transactions between the parties in the version valid at the time of the order, and in any case in the version most recently communicated to the Seller in text form. This shall also apply if we accept the goods without reservation in the knowledge of deviating or conflicting conditions.

(4) Legally relevant declarations and notifications to be made to us by the Seller after conclusion of the contract (e.g. setting of deadlines, reminders, declaration of withdrawal) must be made in text form to be effective.

(5) References to the validity of statutory provisions shall only have clarifying significance. Even without such clarification, the statutory provisions shall therefore apply, unless they are directly amended or expressly excluded in these General Terms and Conditions of Purchase.

§ 2. Form of orders and conclusion of contract

(1) Our order shall be deemed binding at the earliest upon written submission or confirmation. The Seller must notify to us obvious errors (e.g. typing and calculation errors) and incompleteness of the order including the order documents for the purpose of correction or completion before acceptance; in the absence of such notification, the contract shall be deemed not to have been concluded.

(2) If errors occur during the conclusion of the contract which are not our fault (e.g. transmission errors, misunderstandings, etc.), a claim for damages against us pursuant to § 122 of the German Civil Code is excluded.

§ 3. Order confirmation and correspondence

The order confirmation including the price and delivery time has to be addressed to us. All correspondence including the confirmation and invoices relating to our order must include the complete order number.

§ 4. Application of order document

In regard to the prices, the pricing, shipping and payment conditions and the guarantees, the specific provisions of our order document apply in addition to these conditions.

§ 5. Prices, Performance and passing of risk

(1) The agreed price is binding. Prices include delivery to our facilities or other agreed place, the respective statutory VAT and any and all costs for packaging, except as otherwise expressly agreed upon.

(2) Subsequent price increases are excluded, unless we have expressly agreed to them.

(3) The Seller shall not be entitled to have the performance owed by him rendered by third parties without our prior written consent. The Seller shall bear the procurement risk for his services, unless otherwise agreed.

(4) If the scope of delivery includes a corresponding software, we shall be entitled to an unlimited right of use to this software within the statutory scope. The right of use also extends to the contractual use of the software to the required extent. Corresponding documentation is subject to the same scope.

Software may generally be revised, copied, translated and converted from the object code into the source code by us. Backup copies may also be made. We are entitled to grant the customer a comprehensive right of use.

(5) The risk of loss or damage to the goods passes to us upon delivery at the agreed place of delivery.

§ 6. Payment

(1) Payments shall be made on working days.

(2) The agreed price is due for payment within 60 calendar days of complete delivery and performance and receipt of a proper invoice. The Seller shall grant a 3% cash discount for payment within 14 calendar days and a 2% cash discount for payment within 30 days.

(3) In the case of bank transfer, payment shall be deemed to have been made on time if our bank receives our transfer order before the expiry of the payment period; we shall not be responsible for delays caused by the banks involved in the payment process.

(4) We do not owe any interest on maturity. The statutory provisions shall apply to default of payment.

§ 7. Assignment prohibition, offsetting, right of retention

(1) The seller is not allowed to assign any claims against us to a third party; this shall not apply to standard factoring.

(2) We reserve all rights to set-off or retain payment provided by applicable law.

§ 8. Invoicing

Invoices must be created in duplicate, separately for each order.

§ 9. Return of packaging materials

Return obligations or return possibilities for packaging materials must be noted in the delivery documents.

§ 10. Transport insurance costs

Costs for transport insurance are covered by us, only if such bearing of the costs is required from us in writing. Domestically, we are a SVS- prohibition customer.

§ 11. Delivery dates, Delivery, Delay in Delivery

(1) All delivery dates stated in the order or otherwise agreed are binding.

(2) The Seller is obliged to inform us immediately of any imminent or actual non-compliance with a delivery date, its causes and the expected duration of the delay. This does not alter the binding nature of the agreed delivery date. Default for delayed deliveries remains unaffected.

(3) We reserve the right to change the quantity of planned deliveries for operational reasons or to temporarily suspension of planned deliveries.

(4) Any delivery shall be accompanied by a delivery note stating the date (issue and dispatch), the contents of the delivery (item number and quantity) and our order identifier (date and number). If the delivery note is missing or incomplete, we shall not be responsible for any delay in processing and payment resulting therefrom. A separate dispatch note the wording of which must be identical with the wording in the delivery note must be sent to us.

(5) If the Seller does not perform his services or does not perform them within the agreed delivery time or if he is in default, the our rights - in particular the right to withdraw from the contract and to claim damages - shall be determined in accordance with the statutory provisions. The terms in § 11 (6) of these General Terms and Conditions of Purchase remain unaffected.

(6) If the Seller is in default, we may - in addition to further statutory claims - demand lump-sum compensation for our

damage caused by default in the amount of 1% of the net price per completed calendar week, but not more than a total of 5% of the net price of the goods delivered late. We reserve the right to prove that higher damages have been incurred. The Seller reserves the right to prove that no loss at all, or only a significantly lower loss, has been incurred.

§ 12. Legal and official requirements, Liability for defects,

Warranty

(1) Unless otherwise specified below, the statutory provisions shall apply to our rights in the event of material defects and defects of title of the goods (including wrong and short deliveries as well as improper assembly, defective assembly, operating or instruction manuals) and in the event of other breaches of duty by the Seller. In particular, in the event of a defect, we are entitled, at our discretion, to demand either removal of the defect or delivery of a defect-free item or compensation.

(2) The Seller warrants that delivered goods and services comply with the legal and official regulations applicable for their use and distribution in both the importing and the exporting country and do not infringe industrial property rights or other rights of third parties. Suppliers shall observe the GADSL (Global Automotive Declarable Substance List). At the time of delivery and also for deliveries and services foreseeable in the future, these must comply with the state of the art as well as other statutory provisions, technical test regulations and accident prevention regulations. In particular, DIN standards and VDE regulations must be observed.

(3) For deliveries to the European Union, the Seller shall be obliged to comply with the requirements of the EU Parliament regulation on the registration, evaluation, authorization and restriction of chemical substances (REACH-, CLP-, RoHS-regulation). Seller procures conflict minerals (Ta/ Nb-, Au-, W- & Sn-Minerals) according to the rules of the Dodd-Frank Act §1502 and the EU Regulation 2017/821 including its supply chain exclusively from certified and conflict-free sources. Upon request, the Seller will confirm this. Furthermore, there is an obligation to provide evidence and information (e.g. in the case of SVHC). If delivered products partly or not at all fulfil the requirements, they must not be delivered to us.

(4) All legal and official requirements, in particular those specified in § 12 (2), (3), apply to the entire supply chain. The Seller shall oblige his subcontractors in accordance with the above provisions.

(5) In particularly urgent cases, we shall be entitled to remedy defects ourselves at the Seller's expense. In these cases we shall inform the Seller immediately, if possible before the Seller carries out the repair himself.

(6) The commercial obligation to examine and give notice of defects shall be governed by statutory provisions with the following proviso:

a) Our duty of examination is limited to defects which are openly apparent during our incoming goods inspection under external examination including the delivery documents (e.g. transport damage, wrong and short delivery) or which are recognizable during our quality control by random sampling. Otherwise, it depends on the extent to which an inspection is feasible in the normal course of business, taking into account the circumstances of the individual case. Our obligation to give notice of defects discovered later remains unaffected.

b) Notwithstanding our duty to inspect, our complaint (notification of defects) shall in any case be deemed to be prompt and timely if it is sent within 5 working days of discovery or, in the case of obvious defects, of delivery.

(7) Subsequent performance shall also include the removal of the defective goods and their reinstallation, provided that the goods have been installed in another item in accordance with their intended purpose. The costs incurred by the Seller for the purpose of testing and subsequent performance (including any dismantling and reinstallation costs) shall be borne by the Seller

even if it turns out that there was actually no defect. Our liability for damages in the event of unjustified requests for the removal of defects shall remain unaffected; however, in this respect we shall only be liable if we have recognized or grossly negligently failed to recognize that there was no defect.

(8) Warranty claims for defects shall not become statute-barred before the expiry of 36 months after the transfer of risk.

(9) The Seller warrants that the goods are delivered free of third-party rights and that the delivery does not infringe any third-party rights. In this respect, the Seller shall indemnify us on first demand against any claims of third parties.

(10) Claims arising from defects of title shall become statute-barred in accordance with § 12 (8) of these General Terms and Conditions of Purchase.

§ 13. Product liability, Insurance

(1) If claims are made against us on the basis of the statutory provisions on product liability or other regulations due to a product defect or if we suffer damage in any other way in connection with the delivery of a defective product, in particular through recall, retrofitting etc., the Seller shall indemnify us and compensate us for the damage. The above provisions shall apply if and insofar as the damage was caused by defects in the subject matter of the contract delivered by the Seller. The Seller shall bear the burden of proof if the cause of the damage lies within the Seller's sphere of responsibility.

(2) In the cases of §13 (1) of these General Terms and Conditions of Purchase, the Seller shall bear all costs, expenses, including the costs of possible legal action.

(3) The seller shall, at all times during the term of this contract, maintain product liability insurance with an adequate minimum insurance amount of 10 million EUR for each single occurrence of personal and property damage. Further damages shall remain unaffected.

§14 Environmental, Labour and Social Standards

(1) We observe and conduct our business in accordance with the internationally recognized, fundamental environmental, labour and social standards of the UN Global Compact Initiative (see: www.unglobalcompact.org). We expect sellers to observe these standards in equal measure. We reserve the right to terminate the business relationship, if necessary also extraordinarily and without notice, if it is determined that sellers are violating the standards.

(2) The Seller is obliged to comply with the statutory provisions on minimum wages. Should claims be made against us due to the Seller's violation of the minimum wage law, the Seller shall indemnify us in this respect upon first request.

(3) The Seller shall oblige his sub-suppliers to comply with the above standards and in particular to comply with the Minimum Wage Law.

§ 15. Recourse against suppliers

(1) In addition to claims for defects, we shall be entitled without restriction to our legally determined rights of recourse within a supply chain (supplier recourse according to §§ 478, 479 of the German Civil Code). In particular, we are entitled to demand from the Seller exactly the type of subsequent performance (repair or replacement) that we owe to our customer in the individual case. Our right to freely choose any remedy (§ 439 para. 1 of the German Civil Code) is not restricted by this.

(2) Our claims shall also apply if the goods have been further processed by us or one of our customers prior to their sale to a consumer, e.g. by installation in another product.

§ 16. Confidentiality, Documents and Contractual penalty

(1) We reserve the property rights and copyrights to illustrations, plans, drawings, calculations, execution instructions, product descriptions and other documents. The same applies to tools,

moulds, samples, models, profiles, print templates provided by us. Such documents shall be used exclusively for the contractual performance and shall be returned to us after completion of the contract. The documents are to be kept secret from third parties, even after termination of the contract. Copies may not be retained. Any rights of retention do not exist.

(2) All documents, in particular samples, models, drawings, remain our economic and intellectual property and must be returned to us at our request.

(3) For each case of infringement, a contractual penalty amounting to 5% of the total invoice for the products concerned, but at least EUR 1,000.00, shall be forfeited.

§ 17. Statute of limitations

The Seller's and our claims arising out of this contract are subject to the statutory provisions of the statute of limitations.

§ 18. Place of performance

The place of performance for all contractual obligations, in particular for delivery and payment, is the registered office of our company or the place of performance specified by us.

§ 19. Jurisdiction

The courts competent for Kassel shall have exclusive jurisdiction over any disputes arising out of the relationship between the Seller and us. We may also bring legal action in the courts of the Seller's place of general jurisdiction. Mandatory provisions on exclusive judicial competence shall remain unaffected.

§ 20. Applicable law

These Terms and Conditions of Purchase as well as the contractual relationship between us and the Seller shall be governed by the laws of the Federal Republic of Germany, including the United Nations Convention on Contracts for the International Sale of Goods (CISG).