



GENERAL TERMS AND CONDITIONS OF PURCHASE of Hirschmann Automotive Freyung GmbH

1 Validity of the GENERAL TERMS AND CONDITIONS OF PURCHASE

1.1 These General Terms and Conditions of Purchase apply exclusively to all purchases of Products by Hirschmann Automotive Freyung GmbH with seat in Freyung (hereinafter referred to as "Hirschmann") from Supplier to Hirschmann, unless expressly otherwise agreed. The General Terms and Conditions of Purchase also apply to all future offers, purchase contracts and deliveries to Hirschmann, even if these have not been once again specifically agreed in an individual case.

1.2 General Terms and Conditions of the Supplier shall not apply, even if Hirschman has not expressly rejected them in an individual case. Although Hirschmann refers to a letter which contains General Terms and Conditions of the Supplier or a third party or points these out, this shall not constitute an agreement to the validity of such Terms and Conditions. This principle also applies to the acceptance of Products or payments or other conduct of Hirschmann.

2 OFFER – CONCLUSION OF PURCHASE CONTRACT (ACCEPTANCE)

2.1 To be legally binding each offer and order must be in writing (whereby e-mail, fax or EDI shall be deemed to fulfil the requirement of the written form).

2.2 Orders shall be binding unless the Supplier raises an objection in writing within five calendar days after receipt by Hirschmann.

2.3 Hirschmann must be stated in the written order/purchase contract. Claims by the Supplier shall exist exclusively against this company.

2.4 As a pre-condition for acceptance of the order, deliverability and trustworthiness shall be deemed to be material qualities of the Supplier. The Supplier shall to this extent, prior to acceptance of the order, also be subject to special explanatory obligations, in particular regarding possible limits to the Supplier's ability to deliver, liquidity and feasibility of the order. Hirschmann therefore reserves the right to withdraw from the order), without consequences, even before the expiration of the abovementioned time limit if after the conclusion of the contract facts should become known which are liable to seriously question the ability of the Supplier to deliver or negatively impact the trustworthiness of the Supplier. Offer and order acceptances by the Supplier are irrevocable for the Supplier and binding.

2.5 The acceptance of an order placed by Hirschmann is only possible in respect of the entire service by the Supplier specified and requested in the order. Documents, in particular illustrations, descriptions, drawings and specifications of brands provided by the Supplier are decisive and binding for the Supplier. Disclosures (additional information), technical advice and other information provided by the Supplier are binding and shall establish liability.

2.6 Insofar as reasonable, the Supplier is obliged to make changes of the supplied Product in construction and design) as requested by Hirschmann. In this connection, possible additional or reduced costs as well as modifications of delivery dates shall be arranged appropriately and by mutual consent. The Supplier shall explicitly and distinctly inform Hirschmann in case of deviations between the order and the order confirmation.

3 PRICES

3.1 The Supplier warrants the accuracy of the prices announced. The agreed prices are fixed prices.

4 DELIVERY TERMS – TRANSPORTATION – ASSUMPTION OF RISK

4.1 Dates of delivery and performance agreed in the order shall be binding. The delivery period starts upon the written placement of the order by Hirschmann. The standard for determining whether the delivery schedule or delivery date has been kept is the receipt of Products by Hirschmann.

4.2 Supplier shall inform Hirschmann immediately in writing of any actual, potential or expected delay in delivery. In the event of delayed delivery for whatsoever reason (excluding force majeure, as defined in section 5.1), Hirschmann shall be entitled, even without evidence of the loss and without the setting of a period of grace, at its discretion to either withdraw from the contract or to adhere to the contract and to charge a contractual penalty of 1.0% of the relevant order sum per week. The assertion of a loss exceeding this or other costs arising through the delay in delivery is expressly reserved in each case.

4.3 Possible claims for compensation are not excluded as a result of acceptance of a delayed delivery or service.

4.4 If a delivery is made prematurely, Hirschmann shall be entitled to charge the Supplier with the costs thereby arising. Payments shall, in the event of premature deliveries, be made in accordance with the agreed delivery date.

4.5 If at the time of the order/purchase contract no agreements were made concerning transportation, the routing and the means of conveyance shall be left to Hirschmann's discretion, excluding any liability of Hirschmann. Unless the Supplier can provide evidence to Hirschmann that Hirschmann is subject to fault in selecting an agent, the Supplier shall assume all liability for shipping not effected on time or for damage in transit.

4.6 Risk and title to the Products shall pass to Hirschmann upon delivery at the order address of Hirschmann; however, this shall not be before the agreed delivery date.

4.7 For each shipment Supplier shall submit to Hirschmann a shipping notice in a single copy as notice of delivery to the order address.

5 Force majeure

5.1 In cases of force majeure (i.e. circumstances attributable to natural disasters, government restrictions, embargoes, fire or similar circumstances caused by natural forces or government agencies and which prevent the own efficiency of the relevant party in such manner that the circumstance concerned is beyond the reasonable influence – including preventative risk management – of the relevant party), the parties shall be released from their performance obligations for the duration of the interruption. In such cases the party affected by force majeure nevertheless engages to continue its efficiency as soon as possible. Furthermore, Hirschmann shall be entitled to procure the goods from other sources for the duration of the delay attributable to force majeure and to reduce the volumes of deliveries stated in the requests for delivery and/or calls for delivery without any obligation whatsoever to suppliers, or to rescind the entire contract



HIRSCHMANN
AUTOMOTIVE

GENERAL TERMS AND CONDITIONS OF PURCHASE of Hirschmann Automotive Freyung GmbH

without establishing compensation claims by the Supplier against Hirschmann.

6 PAYMENTS

6.1 Payment shall not become due until timely, complete delivery free from defect and receipt of a duly and auditable invoice. A condition for a complete delivery is also the receipt of quality documents and statement of the order data (such as order number, item number, etc.).

6.2 Set-off by Hirschmann with possible counter-claims is in any event permissible. On the other hand, the Supplier is, without the prior written consent of Hirschmann, not entitled to set off with possible counter-claims of Hirschmann. In addition, without the prior written consent of Hirschmann, the Supplier is not entitled to assign its claims against Hirschmann or to arrange for collection by third parties. In the event that the Supplier assigns its claims against Hirschmann without Hirschmann's prior written consent, this assignment shall be ineffective (absolute effect of the prohibition of assignment). Nevertheless, in such a case Hirschmann can at its discretion make payment to the Supplier as well as to the third party, with discharging effect.

6.3 Hirschmann shall be entitled to refuse payment, particularly in the case of incomplete delivery, warranty claims or on account of other objections of whatsoever nature.

6.4 Settlement of an invoice shall not be deemed to be a waiver of complaint in respect of the invoiced Products. In the event of defective delivery, Hirschmann shall be entitled to withhold payment pro rata up until due performance.

7 QUALITY AND DOCUMENTATION

7.1 For its deliveries the Supplier shall comply with the recognized rules of technology, the applicable safety provisions and the agreed technical specifications. All supplied parts and materials must adhere to the current state-of-the-art technology and the statutory provisions and standards as applicable from time to time, and which are valid in the country of manufacture and distribution, in particular with regard to environmental protection, electronics, electromagnetism and safety.

7.2 Products mandatorily subject to labelling in accordance with EU Directives are to be supplied with the appropriate EC labelling and declaration of conformity.

7.3 The Supplier is obliged to comply with a possible quality assurance agreement, which shall in any case take precedence over these Conditions of Purchase.

7.4 All materials listed in the currently applicable VDA list for materials mandatorily subject to declaration (VDA 232-101) must be stated in the EMPB (initial sample test report).

7.5 If initial samples are supplied by the Supplier, an initial sample test report in accordance with VDA and materials test certificates must be enclosed or attached to the delivery of Products concerned. Irrespective of this, the Supplier shall constantly check the quality of the objects supplied. The contracting parties shall inform each other about the possibilities of quality improvement.

7.6 If the nature and scope of the tests, as well as the test equipment, are not agreed, Hirschmann shall upon Supplier's request discuss the tests with the Supplier within the framework of its knowledge, experience and

possibilities in order to calculate the status of the test technology required in each case.

7.7 The Supplier shall on request of Hirschmann keep special records when, in what manner and by whom the Products supplied have been tested with regard to the features subject to mandatory documentation and what the results the required quality tests have been. The test documents have to be kept for 15 years and submitted to Hirschmann on demand. The Supplier shall oblige its pre-suppliers to the same level of commitment.

7.8 The Supplier agrees, on the request of Hirschmann, to also permit authorities to inspect the production process and the testing documents in order to verify specific requirements, and to grant these authorities the same rights as Hirschmann and give them all reasonable support.

7.9 The Supplier is obliged to also impose upon its pre-suppliers all obligations to which the Supplier is subject for quality assurance.

8 COMPLAINTS – WARRANTY – LIABILITY

8.1 The obligation to examine the delivery/Products or service by Hirschmann starts at the earliest at the time at which the delivery/Products or service can actually be checked, (in the case of premature delivery, this time shall in any event be after the agreed time of receipt of the Products by Hirschmann) and shall be restricted exclusively to identity, volume and obvious transportation damage.

8.2 The Supplier expressly waives the objection of infringement of the duty to examine and requirement to give notice of defects.

8.3 Moreover, a longer lasting use or processing of the delivery/Products and/or service shall not be deemed as an acceptance of the Products or a waiver of any claims whatsoever.

8.4 The warranty period is 24 months starting with the date of delivery of the Products or the initial putting into operation of the delivered products (machines, apparatus, tools, etc.), depending upon which event occurs later. Insofar as the Products supplied are intended for use in automobiles, warranty claims shall lapse on expiration of 48 months following the initial licensing of the motor vehicle or installation of the replacement parts, but at the latest after the expiration of 54 months following the delivery date of the Products to Hirschmann.

8.5 Hirschmann is free to choose the warranty remedies and is also entitled to withdraw from the contract in the case of minor defects. Compensation with claims of the Supplier is permissible.

8.6 In urgent cases or if the Supplier fails to remedy the defective delivery/Products within a time limit of 10 working days, Hirschmann shall, at the cost of the Supplier, be entitled to remedy the defect itself or have the defect remedied. Possible other claims shall remain unaffected.

8.7 In addition to the warranty claims, all other claims by Hirschmann, in particular arising from product liability, compensation (consequential losses and pecuniary losses) unlawful acts and agency without authority, shall remain unaffected.

8.8 In the event of delayed delivery, impossibility of the service and suchlike, the Supplier shall be liable for consequential losses and pecuniary losses, loss of profit,



HIRSCHMANN
AUTOMOTIVE

GENERAL TERMS AND CONDITIONS OF PURCHASE of Hirschmann Automotive Freyung GmbH

anticipated but not materializing savings, losses arising from third-party claims against customers as well as indirect losses.

8.9 If claims by third parties are made against Hirschmann irrespective of fault, the Supplier shall assume liability and assist Hirschmann free of charge in contesting such claims and indemnifying Hirschmann against all claims and costs, and also against the costs of contesting such claims (including costs of legal proceedings and attorneys, whereby the latter are to be indemnified up to the level envisaged in the schedule of costs or – if higher – hourly rate of fees actually paid), if its conduct or the Products supplied give rise to liability.

8.10 For measures taken by Hirschmann to avoid damage (e.g. recall operation), the Supplier shall be liable according to the share of causation originating from its sphere (in particular, also including Supplier's off-the-shelf parts to be delivered to the Supplier).

9 DESPATCH PROVISIONS

9.1 The Incoterms 2010 shall apply, in particular the terms of delivery DDP (Delivered Duty Paid) and DDU within the EU (Delivered Duty Unpaid), unless expressly divergent in these General Conditions of Purchase or otherwise agreed in writing. Delivery shall be carried out in accordance with the means of dispatch stated in the order.

10 DRAWINGS / TOOLS / RIGHT OF ACCESS / MISCELLANEOUS

10.1 Drawings, forms, tools, models, samples or other items made available to the Supplier by Hirschmann to execute the order/purchase contract, or which are procured by third parties determined by the Supplier at the cost of Hirschmann, shall remain in the ownership of Hirschmann and shall only be permitted to be used for deliveries to third parties with the prior written consent of Hirschmann. Hirschmann's ownership of these items shall also extend to items manufactured through processing. In the case of the combination or mixing (unification) with objects not belonging to Hirschmann, the latter shall acquire ownership of this new item as a proportion to the value of the Hirschmann Product to the other united item at the time of unification. Hirschmann's right of ownership shall extend also to the new item. The Supplier has no right of retention.

10.2 Insofar as the production of the Products is carried out in accordance with the information, drawings, samples or models of Hirschmann, the power of disposal over commission-related manufacturing equipment and tools lies exclusively with Hirschmann. This arrangement particularly applies even if the special equipment, tools and suchlike have been procured fully or partly at the Supplier's own cost. None of these items shall be permitted to be reproduced, made accessible to third parties or otherwise used without the prior written consent of Hirschmann.

10.3 The Supplier shall be liable for ensuring that no domestic and foreign third-party rights are infringed in connection with the delivery and use of the parts (Products) supplied, in particular proprietary rights such as patents, trademarks, copyright or utility models. In the event of third parties claims in this connection, the Supplier shall assume liability and assist Hirschmann free of charge in contesting such claims and indemnifying Hirschmann against all claims and costs, and also against the costs of contesting such claims (including costs of

legal proceedings and attorneys, whereby the latter are to be indemnified up to the level envisaged in the schedule of costs or – if higher – hourly rate of fees actually paid).

10.4 Insofar as the Supplier has proprietary rights in the Product delivered by the Supplier, the latter shall grant Hirschmann free of charge an unlimited right of use with regard to content, territory and duration for all currently known and future types of exploitation. This right also includes the right of processing and sublicensing.

10.5 The name of the manufacturer or its company logo is only with the express written permission of Hirschmann permitted to appear on products which are manufactured (produced) according to Hirschmann's specifications.

10.6 The costs for tool maintenance, repairs, compliance with safety provisions and discharge of inventor's rights, copyright, patent rights, etc. shall be paid at a price effective over their lifetime. The tools shall be stored and kept ready for production for at least 15 years beginning with the last order or delivery. Written consent shall be obtained from Hirschmann prior to scrapping.

10.7 Changes to working materials, manufacturing processes and sub-suppliers parts are fully excluded without the prior written consent of Hirschmann.

10.8 The Supplier shall ensure the additional supply of the ordered Products, the supply of replacement parts or suchlike within a reasonable period for the duration of at least 15 years after the expiration date of the series.

10.9 Hirschmann and its representatives shall, after notifying the Supplier with a notice period of twenty-four (24) hours, be granted free access to the production facilities of the ordered Products during usual business hours and without interruption to the operating processes of the Supplier.

11 SECRECY

11.1 The Supplier is obliged to keep secret all undisclosed business or technical information which becomes known to the Supplier through Hirschmann ("confidential information"). The Supplier shall commit its Sub-Suppliers and employees to the same level of secrecy obligation.

11.2 Confidential information and – even if this should not represent confidential information – such as models, matrices, patterns, specimens, tools and other production equipment shall, for as long as these have been made available to the Supplier by Hirschmann or have been fully paid for by Hirschmann, only be permitted to be used for deliveries to Hirschmann.

12 RESERVATION OF OWNERSHIP

12.1 The agreement of a reservation of ownership by the Supplier is expressly excluded.

12.2 The ownership on the Products expires through the further processing, installation, mixing, blending, and forwarding to third parties or suchlike.

13 INSURANCE

13.1 The Supplier is obliged to maintain a business (public) liability insurance to an appropriate extent. Supplier shall without delay provide a confirmation of coverage at the request of Hirschmann.

14 INSOLVENCY

14.1 If application is made for insolvency proceedings or extrajudicial restructuring proceedings in respect of the Supplier's assets or if the Supplier is no longer in a position to duly fulfil the contract due to a deterioration of



HIRSCHMANN
AUTOMOTIVE

GENERAL TERMS AND CONDITIONS OF PURCHASE of Hirschmann Automotive Freyung GmbH

its financial circumstances, Hirschmann shall be entitled to withdraw from the unfulfilled part of the purchase contract.

15 PLACE OF PERFORMANCE – LEGAL VENUE – APPLICABLE LAW

15.1 The place of delivery is the address specified by Hirschmann in the order. This shall also apply even if the parties agree a different place of delivery.

15.2 For all disputes arising out of or in connection with the General Terms of Business or the Purchase Contract the exclusive legal venue is the registered corporate domicile of Hirschmann. However, Hirschmann is at its discretion entitled to assert claims against the Supplier at the Supplier's principle corporate domicile.

15.3 The relationship between the Supplier and Hirschmann shall be governed by and construed in accordance with the substantive laws of Germany, excluding the application of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

16 FINAL PROVISIONS

16.1 The Supplier may not assign any of its rights and obligations under the order or material parts of it to third parties without the prior written consent of Hirschmann.

16.2 The language of the Terms and Conditions of Purchase or Purchase Contract is German. In the event of any conflict between the German version and the translation of this document, the German version shall prevail.

16.3 All amendments or modifications to the Terms and Conditions and Purchase Contract shall only be effective if agreed in writing. This also applies to the cancellation of this written form requirement.

16.4 Hirschmann shall notify the Supplier that the data of the Supplier necessary for carrying out the commercial business process (the individual order or purchase contract) has been stored and processed.

16.5 If individual provisions of the Terms and Conditions or Purchase Contract are declared or found to be unenforceable or invalid, the validity of the remaining provisions shall not be affected thereby. The invalid provision shall be replaced by a valid provision approximating as closely as possible to the intended purpose. This also applies to a possible contractual gap.

Freyung, August 2019