

**General Terms and Conditions of Purchase
of IndustrieElektrik GmbH HS (hereinafter referred to as
"IndustrieElektrik")**

Last updated: 10 October 2016

1. General information

(1) The following Terms and Conditions are an integral part of all supply agreements / relationships between IndustrieElektrik and their suppliers. They shall apply in the respectively current version as well as for all follow-up business, without requiring additional express referral or agreement upon conclusion of such business.

(2) IndustrieElektrik hereby objects to any inclusion of the supplier's Terms and Conditions of business. Deviating Terms and Conditions of the supplier shall only apply where this has been confirmed by IndustrieElektrik in writing.

2. Conclusion of supply agreements

(1) Supply agreements and call-offs as well as any changes and additions to these must be provided in writing.

(2) Where the supplier does not accept an order within 5 (five) days after receipt, IndustrieElektrik has the right to withdraw the order. Call-offs shall become binding if the supplier does not object to the call-off within 5 (five) days after receipt.

(3) Agreed deadlines, i.e. in particular delivery dates, are binding. Where the supplier does not meet the agreed deadlines, i.e. in particular delivery dates, they must make good any resulting damage suffered by IndustrieElektrik, including any costs resulting from production downtimes. In case of delays in delivery, the supplier is additionally obligated to inform IndustrieElektrik promptly about the delay in delivery.

(4) Within the bounds of reasonableness for the supplier, IndustrieElektrik may request changes to the execution and design of the delivery item. In doing so, the effects, i.e. in particular with regard to higher or lower costs as well as delivery dates, must be arranged amicably and reasonably.

(5) The supplier is aware that IndustrieElektrik may be obligated to subsequently deliver goods and spare parts also after the end of volume production in accordance with the law and case law. For this reason, the supplier commits to take all precautions enabling IndustrieElektrik to meet these obligations. The supplier in particular commits to supply spare

parts for at least 15 years after the end of volume production.

3. Invoicing and terms of payment

(1) The price stated in the order is binding. In the absence of any written agreement, the price includes delivery "free domicile" and including packaging. Return of the packaging must be agreed separately.

(2) Where the price is not expressly stated as net in the order, it shall include statutory VAT.

(3) Invoices can only be processed by IndustrieElektrik, if the invoices include the stated order number and other order identifiers corresponding to the specifications in the order or the delivery specifications of IndustrieElektrik. The supplier shall be responsible for any and all consequences resulting from non-compliance of the above requirements by the supplier (such as default in payment).

(4) In cases in which a discount deduction is possible, this shall also apply if IndustrieElektrik sets this off. When determining if a discount deduction is possible, the period in which IndustrieElektrik may withhold a payment due to defects shall not be taken into consideration.

(5) IndustrieElektrik shall only be considered to be in arrears, if IndustrieElektrik does not pay after receiving a reminder by the supplier following the due date.

4. Transfer of risk, shipment and accompanying documents

(1) Risk shall be transferred only after the goods have been delivered and unloaded at the point of receipt specified by IndustrieElektrik.

(2) Unless agreed otherwise, the costs for packaging and shipment as well as transport insurance, fees, taxes and other charges shall be borne by the supplier.

(3) All deliveries must be made in accordance with the general delivery specifications for the automotive industry. Deliveries provided without the required accompanying documents can be rejected by IndustrieElektrik. If IndustrieElektrik accepts such deliveries nonetheless, IndustrieElektrik is entitled to invoice the additional work and expenses involved to the supplier.

5. Quality and documentation

(1) In addition to the specifications agreed between the parties, the supplier must comply with generally accepted engineering practice, statutory provisions and the stipulations by the authorities or a trade association. In addition, the delivered goods must be suited for the intended use specified in the contract or if no such intended use can be established for their customary use and must provide such properties as is customary for items of the same kind and which may be expected by IndustrieElektrik in accordance with the kind of the supplied goods.

(2) The supplier must conduct any reasonable outgoing inspections and provide proof of these where required.

(3) In addition, the enclosed QS (quality and security) guidelines apply.

(4) To the extent that the authorities (e.g. for vehicle safety, emissions standards etc.) demand inspection of the production process as well as the disclosure of production and test documents of IndustrieElektrik for the purpose of subsequently verifying certain requirements, the supplier agrees at the request of IndustrieElektrik to provide the authorities with the same rights with regard to the business premises of the supplier and to provide every reasonable support to the authorities, as may be expected by the authorities from IndustrieElektrik.

(5) The supplier undertakes to also commit their sub-suppliers to compliance with the above sub-sections.

6. Liability for defects

(1) Incoming deliveries are either inspected by IndustrieElektrik or - in case of drop shipping - by their recipients on the basis of reasonable random samples, to establish whether they correspond to the ordered quantity and the ordered type and whether externally detectable transport damage or externally detectable damage can be identified; a notification of the thus determined defects shall be considered timely, if submitted within 7 (seven) days after delivery of the item. IndustrieElektrik reserves the right to carry out inspections exceeding the scope defined in the above sentence for a subsequent period; if defects are identified within the scope of such inspections, IndustrieElektrik must submit a corresponding notification of defects within 7 (seven) days after identification.

(2) In case of defects to a supplied item, IndustrieElektrik shall without prejudice to its statutory rights be entitled to demand the elimination of the defects or a replacement delivery at its own discretion. If the supplier refuses subsequent performance or in case of imminent delay, IndustrieElektrik may have the defects eliminated or seek replacement at the expense of the supplier; in non-urgent cases, however, only after coordination with the supplier. The other statutory or contractual claims for defects shall remain entirely unaffected by this.

(3) The supplier bears the costs and risk of the return of defective items.

(4) The limitation period for material defects and defects of title is 48 (forty-eight) months, commencing upon the transfer of risk. Any extended limitation period based on the law or other contractual agreements shall remain unaffected by this. Where the supplier eliminates defects within the scope of their statutory or contractual warranty or provides replacement, the limitation period shall recommence from this time.

7. Retention of title

(1) IndustrieElektrik acknowledges the sale of the goods by the supplier to IndustrieElektrik delivered under simple retention of title to the sum of the invoice amount of the relevant goods. Upon payment of the relevant invoice by IndustrieElektrik, the relevant retention of title of the supplier shall expire.

(2) Other forms of retention of title on part of the supplier, e.g. group offset clauses, balance clauses or handling and processing clauses are not permitted and not effective in all dealings with IndustrieElektrik.

8. Product liability

In the event that the supplier is responsible for damage to the product, the supplier is obligated to indemnify IndustrieElektrik from third party damage claims, where these are caused within the domain and organisational sphere of the supplier. In addition, the supplier is in turn obligated to compensate IndustrieElektrik for any expenses incurring within the scope of necessary recalls. Additional statutory claims shall remain unaffected by this.

9. Industrial property rights

(1) The supplier shall be liable for the claims of third parties resulting in case of the contractually intended use of supplied items from the infringement of industrial property rights and applications for intellectual property rights (together "industrial property rights") by IndustrieElektrik or their customers, provided that the supplier was or should have been aware of the use of the supplied items in the territory for which the affected industrial property rights apply. To this extent, the supplier indemnifies IndustrieElektrik and their customers from all third-party claims and damage claims. The above shall not apply to the extent that the supplier produced the supplied items in accordance with drawings, models or other equivalent instructions or specifications provided by IndustrieElektrik and the supplier was not needn't have been aware of an industrial property rights infringement.

(2) The supplier is obligated to promptly notify IndustrieElektrik about any risk of infringement or alleged infringements by IndustrieElektrik or their customers that become known to the supplier and to support IndustrieElektrik and their customers in the defence of such within reasonable bounds.

10. Security declaration:

For goods which are produced, stored, transported on behalf of authorised economic operators (AEO) or supplied to or accepted from the AEO, the supplier ensures that the goods

(1) are produced, stored, handled, processed and loaded at secure business premises and at transshipment sites,

(2) are produced from unauthorised access during production, storage, handling, processing and loading and transport,

(3) that the staff assigned for the production, storage, handling, processing, loading, transport and acceptance of such goods is reliable.

(4) Business partners acting on our (supplier) behalf have been instructed that they must also take the necessary measures to secure the above supply chain.

11. Confidentiality

(1) The supplier commits to treat all commercial and technical information not accessible to the public, as well

as findings, data and documents, know-how, calculations, procedures and processes relating to the business activities of IndustrieElektrik and which are disclosed to the supplier within the scope of the business relationship with IndustrieElektrik strictly confidential as a trade secret of IndustrieElektrik, not to disclose these to third parties and not to use these themselves. The employees of the supplier must be committed accordingly by the supplier.

(2) Drawings, models, templates, designs and similar items disclosed to the supplier by IndustrieElektrik for the purpose of the initiation or realisation of supply relationships shall remain the property of IndustrieElektrik. The supplier must promptly return such documents at any time upon receiving a first request by IndustrieElektrik and immediately erase any copies, no matter on what kind of data carrier these are stored on. The employees and sub-suppliers of the supplier must be committed accordingly by the supplier.

12. Other matters and final provisions

(1) Faxes and emails shall suffice to meet the written form requirement as defined under these Terms and Conditions or other agreements entered into between the parties.

(2) Place of performance for all deliveries and payments as well as all other contractual obligations between the parties resulting from the supply relationships concluded between them is Gundelfingen a. d. Donau. The parties expressly agree that Gundelfingen is the place at which the goods must be supplied in accordance with the contract (this also defines the place of delivery as defined by Art. 5 No. 1 lit. b of the Council Regulation on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters.

(3) The provisions of these Terms and Conditions of Purchase shall replace any and all previous agreements between the parties with regard to the object of the agreements concluded hereunder. No side-agreements have been entered into relating to the Terms and Conditions hereunder. To come into force, any and all amendments and additions to these Terms and Conditions must be made in writing; this also applies to any and all amendments and additions to this written form requirement. Individual

agreements are excluded from the provisions under the above clause.

(4) The Terms and Conditions hereunder as well as the commercial relationship between IndustrieElektrik and the supplier are governed by the law of the Federal Republic of Germany including the United Nations Convention on Contracts for the International Sale of Goods (CISG) - the latter, however, only for suppliers domiciled outside the Federal Republic of Germany - however under exclusion of the conflict-of-law rules.

(5) In the event that the supplier is domiciled in the Federal Republic of Germany, the sole place of jurisdiction for all disputes resulting from or in connection with or about the validity of these Terms and Conditions or the commercial relationship(s) entered into between IndustrieElektrik and the supplier shall be Gundelfingen a. d. Donau. In the event that the supplier is domiciled outside the Federal Republic of Germany, all disputes resulting from or in connection with or about the validity of these Terms and Conditions or the commercial relationship(s) entered into between IndustrieElektrik and the supplier shall be subject to the final arbitration by one or several arbitrators appointed in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC) in accordance with these Rules; the place of the arbitration proceedings is Munich, the language of the arbitration proceedings in German, where a member of the supplier's management board is a native German speaker, and otherwise English.

(6) Where a third party asserts claims against IndustrieElektrik and where this constitutes a recourse against the supplier, IndustrieElektrik is authorised to assert claims against the supplier in accordance with the laws and at the place of jurisdiction applicable for the assertion of third-party claims against IndustrieElektrik.

(7) Should one or several provisions hereunder be invalid or unenforceable, this shall not affect the validity of the remaining provisions. The invalid or unenforceable provision must be replaced by a valid and enforceable provision which comes as close as possible to the legal and economic intent of the parties. The same applies in case of a loophole.

(8) Any statutory and contractual claims in favour of IndustrieElektrik

exceeding the provisions shall remain entirely unaffected by this.

(9) The headers used in these Terms and Conditions serve for orientation purposes only. They have no semantic content of their own.