

General Terms and Conditions of Purchase

Status 01/2018

1. Sphere of validity

(1) Our terms and conditions of purchase apply for all current and future business transactions with suppliers or other sellers (hereinafter known collectively as "Supplier"). Supplier in this sense only means businesses in accordance with § 14 of the German Civil Code [BGB].

(2) Our terms and conditions of purchase shall also apply if we accept without reservation a consignment from a Supplier in the knowledge that his terms and conditions of business are contrary to, or differ from, our own terms and conditions of business. They shall also apply in those cases in which the Supplier refers to his own terms and conditions of business, in particular when accepting an order from us or in the order confirmation, unless we have expressly accepted his terms and conditions of business in writing.

2. Placing an order and cancellation

(1) Supply contracts (Order and acceptance) as well as delivery call-offs shall only be regarded as having been placed when they have been committed to writing and signed by us. Orders placed by us verbally or over the telephone shall only be binding on us once they have been confirmed subsequently by us forwarding them in writing. Delivery call-offs may also be placed by electronic data-transfer, in particular by EDI or fax message. Diagrams including tolerances stipulated by us in an individual case shall be binding. By accepting an order the Supplier accepts that he has taken note of the workmanship method to be used and the scope of the performance by inspecting the available plans. We shall not be liable for manifest errors, typing mistakes and miscalculations in the documents, drawings, and plans submitted by us. The Supplier is obliged to notify us of such errors without delay so that our order may be corrected and replaced. This shall also apply if documents or drawings are missing.

(2) We may cancel the order if the Supplier has not accepted it in writing within two weeks from receiving an order from us.

(3) The delivery call-offs shall be regarded as having been agreed on a binding basis if the Supplier does not object to them in writing within 3 days. We shall reserve the right to amend dates and volumes to our actual requirements at any time. The Supplier shall be informed of such amendments in good time.

3. Prices and Terms and Conditions of Payment

(1) The price shown in the order is binding, provided that the Supplier does not reduce his prices across the board. The prices are net prices plus the rate of value added tax in force at that time.

(2) Payment terms shall be 30 calendar days of delivery of goods, if all the goods are received free of defects and / or the service has been rendered in full and is free of defects, and after the receipt of invoice. If a part delivery is rendered, payment shall be made as appropriate. Time delays incurred as a result of incorrect or incomplete invoices being sent, shall not have an adverse impact on periods of time allowed for qualification for prompt payment discounts.

If a prompt payment discount is granted, payment shall be made:

- within 25 days to qualify for a prompt payment discount of 3%
- or within 90 days net.

(3) If, by way of exception, we make a down payment prior to receipt of the goods, the Supplier shall undertake to furnish a security in the form of a directly liable bank guarantee for the amount of the down payment rendered (including VAT). The Supplier shall bear the costs incurred for furnishing the security.

(4) Invoices, delivery notes and packing slips are to be attached to each delivery separately and in quadruplicate. These documents must include:

- Order number
- Quantity and quantity units
- Gross, net, and, if necessary, invoiced weight
- Item description with our item number
- Residual quantities if part-deliveries are made
- Unit price, total price and currency
- Country of origin (preference origin).

(5) We are to be sent notification of dispatch for freight consignments on the date of dispatch by separate cover.

(6) We shall be entitled to offsetting rights and rights of retention as provided for by law.

4. Delivery, Dispatch clauses, Customs

(1) The consignments are to be handled in accordance with the instructions issued by SEBN. The Supplier shall have the goods ready in good time taking into account the normal time required for loading and dispatch. The version of INCOTERMS in force when the contract is signed shall apply for all commercial clauses.

(2) Packing is to be included in the price. If, by way of exception, an agreement has to be made to the contrary, packing is to be invoiced at cost price. The Supplier shall have to choose the packing stipulated by us and pay attention that the goods are protected from damage by the packing. At least two thirds of the cost of packing is to be credited to us in the event that goods are returned by us.

(3) Goods are to be delivered to our sites in Slovakia, Poland, Germany and Spain:

SEBN shall only accept consignments which are in free circulation within the European Union (i.e. they are not subject to customs control) under customs law. If SEBN imports the goods through customs clearance, the Supplier shall bear all the costs incurred including import duties. The Supplier likewise undertakes to procure and / or provide us with all the documents required to import and clear the goods through customs. The Supplier is obliged to furnish a certificate of origin for all the goods he is to deliver to us. SEBN shall require an annual statement from the Supplier. In the event that the consignment to be delivered is the first from a Supplier, he must provide us with a statement prior to the date of the first delivery. SEBN is to be notified of changes in the country of origin in writing without delay.

(4) Delivery to our site in Morocco:

A Eur. 1 is compulsory for all deliveries. If it is not possible to issue one, the invoices must be clearly marked with "no preference entitlement".

(5) Delivery to our site in Morocco. An A.Tr. is compulsory for all deliveries. If documents are missing the Seller shall bear all the costs incurred including import duties.

(6) The Supplier shall have to assist SEBN in keeping the customs charges as low as possible. The Supplier shall be liable for all damages sustained by SEBN attributable to non-compliance with Sections (3) to (5) by the Supplier.

5. Delivery date, Delay in delivery

(1) The agreed delivery periods and dates are binding. They shall run from the order date or call-off date. It shall be the date on which a consignment is received at a point of delivery specified by us (That is the SEBN site or premises placing the respective order) which shall determine whether a consignment has been delivered and set up or assembled on time or not as well as off services and their acceptance.

(2) If deliveries are to be expected, the Supplier shall have to notify us in writing without delay and obtain our decision as to whether we still wish to go ahead with the order.

(3) The Supplier is obliged to compensate SEBN for damages we incur as a result of a late delivery. This shall not cover lost profit and damages incurred as a result of operations being interrupted.

(4) We shall not be obliged to accept part deliveries and excess deliveries not agreed with us or to accept consignments prior to the delivery date.

(5) War, civil war, export restrictions and / or commercial restrictions as a result of a change in political relationships as well as strikes, lock-out, operational disruptions and similar events making it impossible or unreasonable for us to fulfill the contract, shall be regarded as force majeure and shall exempt us from the obligation to take delivery of consignments while they exist. The Supplier's claims to a counter-performance as well as to compensation for damages are ruled out in such cases. If the transport is prevented from leaving his premises the Supplier shall have to store the goods properly until they are taken over for or by us at his cost and risk. The parties to the contract are obliged to inform each other without delay and to amend their obligations in good faith to reflect the change in circumstances.

6. Inspection of defects and liability for defects

(1) We are obliged to inspect the goods for any quality defects and to confirm that the correct quantities have been delivered, and to notify the Supplier within a reasonable period of time in writing in so far as such defects and discrepancies are noted in the normal course of business. Given this, the Supplier waives the objection that a defect is notified late.

(2) The Supplier shall accept the obligation that the goods, including packaging and marking, must comply with our specifications. Our order is to be carried out professionally and properly in accordance with state-of-the-art technology at that time.

(3) We shall be entitled to our statutory warranty claims in full. If defective goods are delivered the Supplier shall be afforded an opportunity as we choose to carry out a repair or to supply a replacement. The Supplier shall have to bear the expenditure incurred for the purposes of carrying out a repair or supplying a replacement, in particular transportation costs, travelling expenses, labour and the cost of materials. If the Supplier is unable to carry out a repair or supply a replacement, or if he fails to do so without delay, having been called upon to do so and having been set a time limit, we shall consequently be entitled to send the goods back to the Supplier at his risk as well as to cover our requirements elsewhere. In urgent cases we shall, having informed the Supplier, be entitled to carry out the repair ourselves or to allow a third party to carry it out. Any costs incurred as a result shall be for the Supplier's account.

(4) We expressly reserve the right to assert a claim for compensation, in particular for damages instead of performance.

(5) The warranty for products manufactured by the Supplier and / or for the order carried out by him shall end 24 (twenty-four) months after the vehicle is first licensed or the spare part is fitted, and no later than 36 (thirty-six) months from the passing of risk.

7. Exemption on account of product liability

(1) In so far as the Supplier is responsible for product damage, he shall, given this, be obliged to exempt us at first call from third party compensation claims for damages, if the cause is within his control and he is himself liable towards third parties.

(2) As part of his liability for claims for damages within the meaning of Section (1), the Supplier is also obliged to refund any expenditures there may be in accordance with § 683, § 670 of the German Civil Code [BGB] as well as in accordance with § 830, § 840, § 426 BGB, arising from or in connection with a recall campaign carried out by us. We shall inform the Supplier as far as possible and reasonable of the content and scope of the recall measures to be carried out and afford him an opportunity to respond. Other statutory claims shall not be taken into account.

8. The assignment of claims

The Supplier is not entitled to assign his claims against us or to allow a third party to collect them without our prior written consent. Our consent shall be regarded as having been granted if extended reservation of title exists. If the Supplier assigns his account against us to a third party contrary to Sentence 1 above, without our consent, the assignment shall be valid nevertheless. However, we can as we choose render our performance with discharging effect to the Supplier or to the third party.

9. Reservation of title

(1) Provided that we furnish the Supplier with parts, we shall reserve the title to them. Processing and reforming by the Supplier shall be carried out for us. If our goods subject to the reservation of title are processed together with items not belonging to us, we shall consequently acquire co-ownership to the new thing in proportion to the value of our thing (Purchase price plus VAT) to the other processed items at the point in time at which the processing takes place.

(2) Parts furnished by us are to be stored separately as such and may only be used for our orders. The Supplier shall keep these items in safekeeping for us. The costs of keeping these items and materials in safekeeping for us shall be included in the cost price. (3) Tools etc such as drawings, tools, specimens, models, lay-out sketches, gauges, brands and packaging or similar which are handed over by us or manufactured on our behalf shall remain our property and must not be sold to third parties, pledged or passed on without our express written consent. They are to be secured to prevent unauthorised inspection or use. Subject to agreements to the contrary made in an individual case, they are to be returned to us straight away once an order has been completed without us having to request their return.

- (4) Items which we have developed or refined by working together with the Supplier may only be supplied to us.
- (5) The Supplier is obliged to treat our orders and all the commercial and technical details associated with it as our business secrets.

10. Proprietary rights

- (1) The Supplier shall guarantee that no third party rights in Germany or in other countries shall be breached in connection with the delivery and use of his consignment.
- (2) If a claim is asserted against us on account of a breach of such proprietary rights, the Supplier shall consequently be obliged to exempt us at first written request by us from these claims. We are not entitled to enter into any agreements, and in particular to reach a settlement with the third party without the consent of the Supplier.
- (3) The Supplier's obligation to exempt us from claims asserted against us shall refer to all expenditure we incur by necessity from or in connection with a third party asserting a claim against us.
- (4) Such claims shall become time-barred after a period of 10 (ten) years from the date on which the respective contract is signed.

11. General Terms and Conditions

- (1) Should a provision in these terms and conditions of purchase be or become partially or completely void, the validity of the remaining terms and provisions shall not be affected as a result. The arrangement which is partially or completely invalid is to be replaced by an arrangement the economic objective of which comes closest to that of the invalid arrangement.
- (2) Amendments in the order shall only be valid if they have been agreed in writing.
- (3) The sole place of jurisdiction is Braunschweig, Germany.
- (4) The place of fulfilment for all obligations of both parties shall be the SEBN site placing or calling off the respective order.
- (5) All legal relationships between the Supplier and us shall be subject to German law, even if the Supplier is based in a country other than Germany. Laws on the international purchase of moveable goods (CISG) shall not apply.