

**Hirschmann Car Communication GmbH**  
**General Terms and Conditions of Delivery for Hirschmann Products Applicable to**  
**Business Transactions with Companies**

**1 General Provisions, Area of Application**

- 1.1 Our deliveries and services are exclusively subject to our Terms and Conditions of Delivery. This also applies to all future business relationships, even if the validity of these Terms and Conditions is not expressly agreed upon again.
- 1.2 We do not acknowledge any terms and conditions of business of the purchaser deviating from our Terms and Conditions of Purchase, unless we have expressly agreed to their validity in writing. Our Terms and Conditions of Delivery will also be applicable if we perform delivery to the purchaser unconditionally, having knowledge of terms and conditions of the purchaser that conflict with or deviate from our Terms and Conditions of Purchase.
- 1.3 The mutual written declarations will be authoritative with regard to the nature, in particular, the scope, deadlines, etc. of deliveries or services (hereinafter: Deliveries).
- 1.4 Subsidiary agreements, amendments, and additions to the Terms and Conditions of Delivery and other agreements must be in written form.
- 1.5 These conditions apply only to companies, legal persons under public law and special funds under public law in accordance with § 310 Para. 1 Bürgerliches Gesetzbuch (BGB - German Civil Code).

**2 Offers, Offer Documentation**

- 2.1 Our offers are always subject to confirmation unless they are expressly designated as binding. The contract will only be formed when it is confirmed in writing and in accordance with its content, or through delivery/performance of a service. In case of doubt, if we do not reply to an offer submitted to us, the offer can be considered to be rejected.
- 2.2 We reserve ownership rights and copyright to all documents supplied to the purchaser in connection with the issuing of the order, such as such as cost estimates, illustrations, drawings, calculations, etc. (hereinafter: Documents). The documents may be disclosed to third parties only with our prior consent and are to be returned to us immediately if the order is not issued to us. Sentences 1 and 2 will apply accordingly to the Purchaser's documents; these may, however, be disclosed to third parties to whom we have been permitted to subcontract deliveries.
- 2.3 The purchaser will have a non-exclusive right to use of standard software and proprietary firmware with the agreed performance parameters in an unaltered form and on the agreed devices. The purchaser may not create backup copies of the standard software without express agreement.

**3 Prices and Terms and Conditions of Payment**

- 3.1 Unless stated otherwise in the order confirmation, our prices will be ex works (EXW in accordance with Incoterms 2010) excluding packing costs. The prices do not include the applicable statutory value-added or sales tax.
- 3.2 Discounts can be deducted only upon special written agreement.
- 3.3 Payments are to be made free of transaction charges to our designated accounts.
- 3.4 The purchaser may only offset against receivables that are undisputed or recognized by us, or that have been legally established.
- 3.5 The purchaser can assert a right of retention only on the basis of counterclaims resulting from the same contract.
- 3.6 Bills and checks will only be deemed as payment on encashment. Payments by bills of exchange require prior written agreement. Discount costs and other exchange costs are paid by the purchaser and must be paid immediately plus the applicable legal sales tax.
- 3.7 Unless the parties have agreed differently, the net price (without deductions) will be due for payment within 30 days of the invoice date. In case of delayed payment, interest will be charged at a rate of 8 percentage points p.a. above the base interest rate. We reserve the right to assert higher claims for damages resulting from delay.
- 3.8 Unless a fixed price agreement has been made, we reserve the right to make reasonable price changes due to changes in wages, materials, and distribution costs for supplies, which take place 3 months or later after signing the contract.

- 3.9 If the purchaser does not make any payments at maturity, we can suspend further work on ongoing orders and request immediate advance payments for the orders not yet completed or payment of a suitable security deposit. If the purchaser does not comply with our request for advance payment or for payment of a security deposit within a reasonable time, we will be entitled to withdraw from the contract and to invoice the purchaser for the costs incurred until that point.
- 3.10 Payments can only be made to representatives or agents with the effect of discharging the obligation if they have written authorization to collect.

#### **4 Deliveries, Delivery Times**

- 4.1 Partial deliveries are permissible if they are reasonable for the customer.
- 4.2 Observance of delivery dates is subject to the clarification of all commercial and technical issues between the contractual parties and the timely and proper fulfilment of the obligations of the purchaser, in particular the timely receipt of documentation to be provided by the purchaser, necessary permits and approvals, especially plans, and adherence to the agreed payment terms. If these conditions are not met in a timely manner, the deadlines will be extended accordingly. This will not apply if we are responsible for the delay. We reserve the right to assert the defence of non-performance of the contract.
- 4.3 Observance of the delivery time is subject to correct and punctual supply to us. We will inform the customer as soon as possible of any foreseeable delays.
- 4.4 If required, a delivery may only be made with a valid export license. The absence of an export license and/or the presence of other export barriers, which are not due to circumstances for which we are responsible, will not result in a delayed delivery.
- 4.5 If the non-compliance is due to force majeure, such as natural disasters, mobilization, war, riots, or similar events, such as strikes, lockouts, seizure, embargo, the deadlines will be extended accordingly.
- 4.6 If the purchaser delays acceptance or culpably violates other cooperation obligations, we will be entitled to claim compensation for the damage incurred by us as a result, including any additional expenses. The right to assert further claims or rights is reserved.
- 4.7 If the conditions given under Section 4.6 are in place, the risk of accidental loss or accidental deterioration to the item will be transferred to the purchaser at the time when his delay of acceptance or payment began.
- 4.8 If we are in delay, the purchaser may - provided he can prove that he suffered damage as a result - demand compensation for every completed week of delay in the amount of 0.5%, however not in excess of 5% of the price of that portion of the deliveries, which could not be put into useful operation as a result of the delay. If we are able to prove that the damage caused to the purchaser by delay is less than the stated compensation for the delay, we will only be obliged to pay the damages that were actually incurred.
- 4.9 The possibility of claims for compensation on the part of the purchaser as a result of the delay in delivery and of claims for damages instead of performance, which exceed the limits stated in Section 4.8 is excluded, even after the expiry of any deadline set for delivery - subject to Section 11.
- 4.10 The purchaser may withdraw from the contract as part of the statutory provisions only if we are responsible for the delay in delivery. A change in the burden of proof to the detriment of the purchaser is not associated with the aforementioned regulations.
- 4.11 At our request, the purchaser will be obliged to state within an appropriate period whether he will withdraw from the contract as a result of the delay in the delivery or insist on performance.
- 4.12 If dispatch or delivery is delayed at the Purchaser's request for more than one month after notification of readiness for shipment, the purchaser may be charged, for every month commenced, storage costs of 0.5% of the price of delivery items, up to a maximum, however, of 5%. The contractual parties will remain free to provide proof of higher or lower storage costs.

#### **5 Transfer of Risk**

- 5.1 The risk will be transferred to the Purchaser even in the case of deliveries with freight paid if the deliveries have been dispatched or picked up. At the request and expense of the purchaser, deliveries are insured against the usual transport risks.
- 5.2 If the shipment or delivery is delayed for reasons that are the fault of the purchaser or if the purchaser delays acceptance for other reasons, the risk is transferred to the purchaser.

## **6 Reservation of Title**

We will make deliveries only on the basis of the reservation of title described in the following. This will also apply to all future deliveries, even if we do not always refer to this expressly.

- 6.1 The delivery items (goods subject to retention of title) will remain our property until the fulfilment of all claims to which we are entitled against the purchaser within the business relationship. If the realizable value of all security rights, to which we are entitled, exceeds the level of all secured claims by more than 10%, at the request of the purchaser, we will release a corresponding part of the security rights; we will have the right to choose between different security rights with regard to the release.
- 6.2 The purchaser will be obliged to treat the purchased item with care until ownership is transferred to him; in particular with regard to high-value goods, the purchaser will be obliged to insure them at his own expense against fire, water damage, and theft. If maintenance and inspection work is required, the purchaser must perform this in a timely manner at his own expense.
- 6.3 During the period of retention of title, the purchaser may not perform a pledge or assignment as security and resale will only be permitted for resellers during the normal course of business. The purchaser hereby assigns to us all claims in the amount of the final invoice agreed with us (including VAT), which he incurs against his consumers or third parties, irrespective of whether the purchased item was resold without processing or after processing. The purchaser is revocably authorized to collect these receivables. The purchaser will be obliged, upon request from us, to notify us of the name of the third-party debtor and to provide us with all other information and documentation in order to enable us to realise the assigned receivables.
- 6.4 The processing or transformation or reorganization of our goods is always performed for us (§ 950 BGB). In case of processing, installation and mixing with other items that do not belong to us, we will acquire joint ownership of the new item in line with the ratio between the value of our items (total invoice amount including VAT) and these other mixed items at the time when the processing, installation, or mixing occurred. Otherwise, the same will apply to the item created through processing as for the purchased goods delivered with reservation of title. If the mixing is performed in such a way that the purchaser's item is to be regarded as the main item, it is considered agreed that the purchaser has transferred proportional joint ownership to us. The purchaser holds the sole or joint ownership created in this way on our behalf. The purchaser also assigns to us the claims to securing our claims against him that arise against a third party as a result of the connecting of the purchased item with a piece of real estate property.
- 6.5 As long as ownership has not yet been transferred, the purchaser must notify us immediately in writing if the delivered item is pledged or is exposed to other third party interventions. If the third party is unable to reimburse us for the judicial and extrajudicial costs of a claim in accordance with §771 Zivilprozessordnung (ZPO- German Code of Civil Procedure), the purchaser will be liable for the loss we have incurred.
- 6.6 In case of breach of contract, especially default of payment, we will be entitled to repossess the goods, the purchaser will be obliged to surrender them. This will also apply if the subject matter of the contract is already installed on the purchaser's premises. After the withdrawal of the goods, we are authorized to exploit them; the proceeds of the exploitation are to be credited against the purchaser's liabilities. All costs of repossession and of the exploitation of the goods, including reasonable exploitation costs will be borne by the purchaser. In the case of repossession or enforcement of the reservation of title, or the pledging of the goods subject to retention of title by us, there will be no withdrawal from the contract unless we have stated this expressly.
- 6.7 In case of goods deliveries in other legal jurisdictions in which the retention of ownership clause in accordance with Sections 6.1 to 6.6 does not have the same effect of providing security as in the Federal Republic of Germany, the purchaser hereby grants a corresponding security interest. If further declarations or actions are necessary for this purpose, the purchaser will submit these declarations and take these actions. The purchaser will participate in all measures that are necessary and beneficial with regard to the validity and enforceability of security rights of this kind.

## **7 Receipt**

The purchaser may not refuse to receive deliveries due to minor defects.

## **8 Material Defects**

We are liable for material defects of the delivery item, to the exclusion of further claims - subject to Section 11 - as follows:

- 8.1 Purchaser's claims based on material defects require that he has properly complied with his inspection and notification obligations in accordance with § 377 Handelsgesetzbuch (HGB- German Commercial Code).

- 8.2 If, despite all of the care taken, there is a defect in the delivery item, which was already there at the time of the transfer of risk, the purchaser can request subsequent performance at his discretion by means of rectification of a defect or delivery of new defect-free goods, subject to a timely complaint. We must be given the opportunity for subsequent performance within an appropriate period of time. Claims to recourse will remain unaffected without limitation by the aforementioned provision.
- 8.3 In the case of the rectification of defects or the delivery of a replacement, claims by the purchaser as a result of expenses necessary for the purposes of subsequent performance, in particular transportation, travel, labour, and material costs are excluded, if these increase as a result of the fact that the subject of the delivery was made to a place other than the place of performance unless the performance corresponds to its intended use.
- 8.4 There will be no claims for defects in case of only minor deviations from the agreed quality, in case of only minor impairment of usefulness, of natural wear and tear or damage arising after the transfer of risk as a result of the breach of operation, maintenance, and installation instructions, improper or incorrect use, faulty or negligent treatment, excessive strain, unsuitable equipment, defective workmanship, inappropriate foundation soil, or from particular external influences which are not provided for under the contract, as well as non-reproducible software errors. If the purchaser or third party performed improper modifications or repair work, there will also be no claims for defects for these and the consequences either.
- 8.5 Claims to recourse by the purchaser against us in accordance with § 478 BGB will exist only insofar as the purchaser has not entered into agreements with his customer beyond the legally required claims for defects. In addition, Section 8.3 will apply accordingly with regard to the scope of the claim to recourse against us in accordance with § 478 para. 2 BGB.

## **9 Intellectual Property Rights and Defects of Title**

For legal defects in the delivery, we will be liable to the exclusion of further claims - subject to Section 11 - as follows:

- 9.1 Unless otherwise agreed, we will be obliged to perform the delivery only in the country of the place of delivery free from third party intellectual property rights and copyrights (hereinafter: Property Rights).
- 9.2 If the use of the delivery item in accordance with the contract leads to the infringement of Property Rights, we will in principle grant the purchaser the right to continued use at our expense or modify the delivery item in a manner that is reasonable for the purchaser so that the Property Rights infringement no longer exists. If this is not possible under suitable economic conditions or within a reasonable period of time, the purchaser will be entitled to withdraw from the contract or to decrease the price. Under these conditions, we will also have a right to withdraw from the contract. In addition, we will release the purchaser from uncontested or legally established claims by the holders of the Property Rights in question.
- 9.3 Our obligations stated in Section 9.2 are - subject to Section 11 - exhaustive for the case of breach of Property Rights. They will exist only if:
- a) The purchaser immediately informs us in writing of breaches of Property Rights asserted against us;
  - b) The purchaser supports us to an appropriate extent in the defence of the asserted claims or enables us to perform the modification measures in accordance with Section 9.2;
  - c) The purchaser does not acknowledge the breach and reserves the right to all defence measures including out-of-court settlements. If the purchaser cancels the use of the delivery for reasons of decreasing damage or on other important grounds, he is obliged to notify the third party that the cancellation of use is not associated with a recognition of an infringement of Property Rights.
  - d) The defect is not the responsibility of the purchaser;
  - e) The legal infringement was not caused by special regulations on the part of the purchaser, by an application that could not be foreseen by us, or as a result of the fact that the delivery was modified by the purchaser, or was used together with products not supplied by us.

## **10 Impossibility, Adjustment of Contract**

- 10.1 If delivery is impossible, the purchaser will be entitled to claim damages, unless we are not responsible for the impossibility. However, the claim to compensation for damage by the purchaser is limited - subject to Section 11 - to 10% of the value of the portion of the delivery, which cannot be put into useful operation as a result of the impossibility. The purchaser's right to withdraw from the contract remains unaffected.
- 10.2 If unforeseeable events take place as defined in Section 4.5, the economic importance or the content of the delivery is significantly altered or have a significant effect on our operations, the contract will be

adjusted appropriately in good faith. If this is not economically justifiable, we will have the right to withdraw from the contract. If we want to exercise this right of withdrawal, we must inform the purchaser of this immediately after realizing the significance of the event even if an extension of the delivery was initially agreed with the purchaser.

## **11 Liability, Limitation Period**

- 11.1 Unless otherwise agreed in the following, any liability in excess of Sections 4, and 8 to 10 is excluded. This also applies if the purchaser requires the payment of useless expenses instead of a claim to compensation for damages in lieu of performance.
- 11.2 For damage, irrespective of the legal grounds, we will only be liable:
- a) In case of intent,
  - b) In case of gross negligence,
  - c) In case of culpable injury to life, body, or health,
  - d) In case of fraudulent concealment of defects,
  - e) As part of a guarantee commitment,
  - f) In case of defects in the delivered item insofar as liability is mandatory under the Product Liability Act for personal injury or property damage to items that are privately used.
- 11.3 In case of culpable violation of fundamental contractual obligations and grossly negligent breach of contract our liability is limited to foreseeable, typically occurring damage.
- 11.4 As far as the liability to pay compensation for damages to us is excluded or limited, this will also apply to the liability of our employees, representatives, or vicarious agents.
- 11.5 All claims by the purchaser - for whatever legal reason - become statute-barred 12 months after the transfer of risk. The same will apply to claims by the purchaser in connection with measures for the prevention of damage (e.g. recall campaigns). For claims for compensation for damage in accordance with 11.2 a) to d) and f), the statutory limitation provisions will apply. Furthermore, the statutory limitation periods in accordance with § 438 Para. 1 No. 2 BGB (buildings and building items), § 479 Para. 1 BGB (claim to recourse) and § 634a Para. 1 BGB (building defects) will apply.

## **12 General Provisions**

- 12.1 If a contractual partner suspends its payments or if insolvency proceedings are initiated against its assets, then the other contractual partner will be entitled to withdraw from the part of the contract that has not been performed.
- 12.2 In the event that individual provisions of these terms and conditions and further agreements entered into are or become invalid, the validity of the contract will otherwise remain unaffected. The contracting parties will be obliged to replace the ineffective provision with an effective provision that comes as close as possible to being equivalent with regard to economic success.
- 12.3 The exclusive place of jurisdiction for all disputes arising directly or indirectly from the contract will be the court with jurisdiction over Hirschmann's registered office ("Sitz"). We are also entitled to bring an action against the purchaser in his place of general jurisdiction.
- 12.4 Unless the order confirmation states otherwise, our registered office will be the place of performance.
- 12.5 The law of the Federal Republic of Germany will apply exclusively to all legal relationships between the purchaser and us; the provisions of the United Nations Convention on Contracts for the International Sale of Goods (CISG) and the conflict of laws (international private law) will not apply. INCOTERMS 2010 will apply with regard to the interpretation of delivery clauses.

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