

General Conditions of Sale and Supply of First Sensor AG

I. GENERAL

1. These General Conditions of Sale and Supply apply to all the sales and supplies of First Sensor AG (hereinafter referred to as the supplier). Contrary and/or supplementary general conditions of the purchaser do not apply to the supplier unless the supplier expressly agrees in writing. This applies even if the purchaser refers to their own conditions and the supplier does not contradict these conditions and/or performs the supply to the purchaser without reservation in the knowledge of the purchaser's conditions.
2. The General Conditions of Sale and Supply also apply to all future business with the purchaser.
3. Agreements that differ from these General Conditions of Sale and Supply do not come into effect until confirmed in writing by the supplier.
4. For cases in which First Sensor AG acts not as a seller or supplier but as a purchaser, the separate General Conditions of Purchase shall apply exclusively.

II. OFFERS, DOCUMENTS AND INDUSTRIAL PROPERTY RIGHTS

1. All offers by the supplier are non-binding and subject to change without notice. They are a request to the purchaser to submit their own offer. The offers of the supplier do not constitute an obligation to deliver.
2. Unless otherwise indicated in the offer, they are valid for a period of four weeks. Offers are subject to the goods remaining unsold.
3. Public statements by the supplier, the manufacturer as defined in § 4 Sections 1 and 2 of the German Product Liability Law, or its associates in particular in advertising or in the designation of certain properties do not constitute a description of the quality of the goods to be supplied. The supplier does not undertake any guarantee on the basis of such statements.
4. The supplier reserves his property, copyright and other protection and exploitation rights relating to all images, calculations, drawings

and other documentation. These documents and commercial and technical details must be kept confidential, and may be made available to third parties only with the express written permission of the supplier. They must be returned to the supplier immediately if the purchaser does not award the contract to the supplier or if the supplier requests their return.

5. Before accepting and using the goods the purchaser must check for suitability for the planned application based on the information provided in catalogues, brochures and other written documentation. This also applies to the selection of appropriate materials. The purchaser shall find out about the possible uses of the product.
6. The supplier is not obliged to check whether the information or specifications provided by the purchaser are correct and/or compliant with legal requirements; the purchaser shall be solely responsible for such information. This applies in particular to liability for any violation of commercial rights.
7. Samples requested by the purchaser will be charged by the supplier on a cost basis.

III. CONCLUSION OF A CONTRACT

1. Orders are not considered accepted until the supplier provides written order confirmation. A written receipt confirmation, which merely indicates that the order has been received, does not constitute a contractual arrangement, and in particular not an obligation on the part of the supplier to deliver.
2. The text of the order confirmation shall be the basis for the content of the contractual arrangement. The purchaser is obliged to check this in all aspects and to notify any discrepancies to the supplier immediately in writing.
3. The purchaser may not assign his claims and rights resulting from this contract to any third party without the prior consent of the supplier.

IV. CHANGES, DELIVERY, TRANSFER OF RISK

1. The supplier reserves the right to make design and/or formal changes based on improvements in technology or in order to comply with legal requirements during the supply period, provided the delivery item is not excessively changed and the changes are reasonable for the purchaser.
2. Unless otherwise indicated, delivery times are nonbinding. The delivery time specified by the supplier shall not begin until all the information, documentation and approvals to be provided by the purchaser have been received by the supplier, and the purchaser has completed his cooperative actions, in particular any payment obligations or the identification of the delivery item with regard to type number, serial number, and the like.
3. The delivery time ends with dispatch or notification of readiness for dispatch.
4. Changes initiated by the purchaser cause the delivery time to be recalculated from the date of the updated order confirmation.
5. Deadlines may be shifted by up to 3 months at the request of the purchaser if an appropriate notification is received at least 45 days before the original confirmed delivery date. If notification is received at least 75 days before the confirmed delivery date it is possible to shift to the end of the framework agreement or up to 12 months after the order date. Deadline shifts which are notified within 45 days of the original confirmed delivery date cannot be taken into consideration.
6. All deliveries are ex works (EXW in accordance with Incoterms 2010). The works named in the order confirmation is the relevant works. On provision of the delivery item the risk of accidental loss or deterioration of the delivery item passes to the purchaser. The purchaser may not refuse to accept deliveries because of immaterial defects.
7. In the event of obstacles to delivery for which the supplier is not responsible, in particular technical non-feasibility, force majeure, power supply outages, traffic/transportation problems, operational disruptions, labour disputes or actions by relevant authorities, the delivery time shall be extended accordingly. If the obstacles to delivery last longer than one month or make it impossible for the supplier to fulfil the contract, the supplier is entitled to withdraw from the contract. The supplier immediately informs the purchaser about any obstacles to delivery.
8. If the supplier is not supplied by one of his own suppliers contrary to the terms of a contract, the delivery time shall be extended accordingly if the supplier cannot be expected to procure a replacement himself (self-supply proviso). In the event that a sub-supplier is unable to deliver, the supplier is entitled to withdraw from the contract.
9. The supplier is entitled to make part deliveries if this does not constitute an intolerable burden on the purchaser. In this case, the rights resulting from delays or defects are restricted to the relevant part delivery.
10. If dispatch or delivery of the delivery item is delayed by more than one month after notice was given of the readiness for dispatch, the purchaser may be charged storage costs for each month thereafter to the amount of 0.5 % of the purchase price of the supplied goods but in no event shall the aggregate storage charges exceed a total of 10 % of the price. The parties to the contract are at liberty to furnish proof of higher or lower storage costs. Storage is at the risk of the purchaser.
11. Alternatively the supplier can withdraw from the contract if the purchaser has not accepted the delivery item after a reasonable period of time. In this case, the supplier is entitled to demand damages of 10 % of the purchase price for the delivery item. The parties to the contract are at liberty to furnish proof of higher or lower damages.
12. Claims for damages by the purchaser on the basis of a delay in delivery and claims for damages instead of performance of the contract are excluded in all cases of delayed delivery, even after expiry of a period set by the supplier. This does not apply in the event of liability for wilful misconduct, gross negligence or because of loss of life, physical injury or damage to health. The purchaser may only withdraw from the contract if the supplier is responsible for the delay to delivery or for the inability to deliver.
13. The supplier shall not take back any packaging. This does not apply to leased packaging. If the supplier has declared packaging to be leased packaging then the supplier will collect it from the purchaser.
14. Trade receivables (contractual fulfilment) are subject to the condition that the fulfilment is not opposed by any obstacles due to national or international provisions, particularly export control regulations, embargoes, or other restrictions. The contractual parties undertake to provide all information and documents necessary for export / shipment / import. Delays due to export inspections or approval procedures shall override deadlines and delivery times. If necessary approvals are not issued, the contract concerning the affected

portion shall be deemed un-concluded; claims for compensation of damages in this regard and due to the above-mentioned time limit overruns are excluded.

V. PRICES, PAYMENT, DEFAULT, ADVANCED PAYMENT

1. All prices are ex works excluding freight forwarding and packaging costs, and excluding sales tax at the relevant rate. In the event that after confirmation of the order there is an increase in manufacturing costs for which the supplier is not responsible, such as material and labour costs, public charges and other such expenditure, the supplier is entitled to adjust the prices accordingly.
2. The purchaser shall pay the purchase price within 30 days of delivery, without deductions and free of any charges. The purchaser shall bear the risks and costs of the payment process.
3. In the event that a payment deadline is exceeded, the purchaser shall be deemed in default. For each day in default, default interest in the amount of 9% above the relevant base interest rate shall be incurred at the expense of the purchaser. This does not preclude the assertion of higher damages.
4. The purchaser is entitled to offset or retain payment only if his claims are legally justified or not disputed by the supplier.
5. Costs for sureties, letters of credit for foreign business, and the like shall be at the purchaser's expense.
6. If the supplier obliged to provide services in advance and if after the contract has been signed the purchaser suffers a substantial deterioration in assets such that the purchaser in particular stops payment or applies for insolvency proceedings, the supplier may refuse delivery until payment of the purchase price is made or a surety is received. If the purchase price is not paid or a surety not received within an appropriate period of time the supplier may withdraw from the contract.
7. In the event of a substantial deterioration in the assets of the purchaser after the contract has been signed, the supplier is also entitled to perform further services only against advance payment and to declare all open invoices as due for immediate payment.

VI. DEFECTS, WARRANTY

1. The purchaser shall check the delivery item immediately on receipt and notify the supplier in writing of any obvious defects immediately, but no later than five working days after receipt of the delivery item. The purchaser shall inform the supplier in writing of any hidden defects as soon as they are discovered. Claims for defects cannot be made unless the defects are notified in good time. The complaint about any defects must include precise details on how the delivery item is being used and the type and extent of the claimed defect.
2. The supplier shall repair or replace the delivery item, as the supplier sees fit, within a reasonable period (subsequent fulfilment) if the delivery item has a material defect that was caused before risk passed to the purchaser. The supplier shall bear the costs of subsequent fulfilment, provided this is not the result of the delivery item having spent time at a location other than the purchaser's headquarters and having been used during this time not as intended.
3. If the improvement fails the purchaser can reduce the purchase price or withdraw from the contract.
4. If a defect complaint is unfounded, in particular because there is no defect, the purchaser shall reimburse the supplier with the expenses incurred as a result of the complaint.
5. Claims for non-fulfilment expire in 12 months from the start of the statutory limitation period. The same applies to withdrawal and price reduction. This period does not apply if the supplier has intentionally or maliciously concealed a defect, or has not honoured a quality guarantee or in cases that fall within the scope of §§ 438 Section 1 No. 2 (Construction Work and Objects for Construction Work), 479 Section 1 (Right of Recourse) and 634a Section 1 No. 2 (Construction Defects), German Civil Code (BGB).
6. For defects which the purchaser could have detected with reasonable effort prior to installation or processing, all claims based on liability for material defects are void as soon as the product is processed or installed. This does not apply if the supplier or his agents are culpable of wilful misconduct, gross negligence or injury to life, body or health, if there is liability due to violation of an essential

contractual obligation, or if liability based on the Product Liability Law is mandatory.

7. The supplier does not undertake any warranty regarding any specific lifetime of the delivery item, in particular under extreme or previously unknown operating conditions. Claims regarding premature destruction are excluded.
8. For products that are produced on the basis of drawings or specifications provided by the purchaser the supplier is liable only for noncompliance with the specifications. Mandatory liability under the German Product Liability Law and for intent and gross negligence remain unaffected.
9. There is no liability in the case of only insignificant deviations from the agreed quality, inconsequential impairment of usability, natural wear or damage caused after transfer of risk due to incorrect or negligent handling or excessive usage or usage not in accordance with specifications or the terms of the contract. The same applies if the purchaser or third party has made improper changes or repairs.
10. Claims under a right of recourse by the purchaser against the supplier based on § 478 BGB (German Civil Code) are only valid insofar as the purchaser has not made any agreements with his customers that go beyond the legal claims for defects. Under § 478 Section 2 BGB (German Civil Code) the supplier shall not be liable for the costs of subsequent fulfilment as a result of the delivery item having spent time at a location other than the purchaser's headquarters and having been used during this time not as intended.
11. Claims for damage by the purchaser for material defects are excluded. This does not apply in the event of intentional or malicious concealment of a defect, non-compliance with a quality guarantee, loss of life, physical injury or damage to health and intentional or grossly negligent breach of duty by the supplier.
12. Claims by the purchaser for material defects other than those regulated in this Section VI are excluded.

VII. LIABILITY

1. Unless otherwise indicated in these General Conditions of Sale and Supply, claims for damages by the purchaser shall be excluded, irrespective of the legal basis. This does not

apply if the supplier is liable under the Product Liability Law on the basis of intent or gross negligence, malice, non-compliance with an accepted guarantee, culpable loss of life, physical injury or damage to health or culpable nonperformance of essential contractual obligation.

2. If the supplier violates an essential contractual obligation only negligently the claim for damages shall be limited to the damage he could reasonably foresee or could have foreseen at the time the contract was signed and to the damage that typically occurs in transactions of this type.
3. If the purchaser provides material to produce products ordered by him, then this is insured at the supplier's premises only against theft. Liability for loss or deterioration of this material applies only in the event of intent or gross negligence on the part of the supplier.
4. The exclusion or limitations of liability specified in these General Conditions of Sale and Supply also apply to the personal liability of the officers and employees of the supplier and the supplier's agents.
5. Consultation services for the purchaser, in particular regarding the use of the delivery item, are binding on the supplier only if the supplier has agreed to them in writing.
6. If the delivery item is sold on, the purchaser must make the operating instructions provided by the supplier accessible to the purchaser's customer. The purchaser releases the supplier from damages resulting from non-compliance with this obligation in the internal relationship.
7. The purchaser releases the supplier from liability claims from third parties if the purchaser is responsible for damage.
8. The legal provisions for burden of proof shall remain unaffected.
9. If the delivery item is produced in accordance with the purchaser's drawings or specifications the purchaser shall release the supplier in the internal relationship from all claims from third parties based on violation of protection or exploitation rights.

VIII. RESERVATION OF PROPRIETARY RIGHTS

1. The supplier retains all proprietary rights to the delivery item (secured goods) until all the

- claims against the purchaser arising from the business relationship have been satisfied in full (current account retention).
2. The purchaser shall store the secured goods correctly, handle them carefully and insure them appropriately at the purchaser's own cost against fire damage, water damage and theft. The purchaser shall carry out any necessary inspections and maintenance work in good time at the purchaser's cost.
 3. During reservation of proprietary rights the purchaser must not assign the secured goods or pledge them as security. The purchaser shall inform the supplier immediately about pledges, seizure or other acts of intervention by third parties. The purchaser shall, without delay, provide the supplier with all the necessary information and the relevant documentation in order for the supplier to enforce his rights. The purchaser shall bear the costs incurred by the supplier for protecting the supplier's rights, unless they can be recovered from the third party.
 4. The purchaser is entitled to sell the secured goods as part of its usual business practice. Authorization to resell the goods applies only if the purchaser has received payment from its customer or with the proviso that the property shall not pass to the customer until the latter has met its financial obligations.
 5. If the purchaser resells the reserved goods, he hereby by way of security assigns to the supplier his future claims under the resale including any ancillary rights against his customer without the need for subsequent special statements. If the purchaser resells the secured goods together with other items without an individual price having been agreed, the purchaser shall assign to the supplier that portion of the total price which equals the price of the reserved goods invoiced to the customer.
 6. The purchaser is entitled, as part of usual business practice, to process the secured goods or to mix or blend them with other items. Processing shall be performed for the supplier. The purchaser shall store the resultant new items for the supplier with due professional care. The new item shall be deemed reserved goods. The supplier shall obtain co-ownership in the new item. The share of co-ownership by the supplier results from the ratio of the original secured goods to the value of the other goods at the time of blending or mixing. If the new secured goods are in the possession of a third party the purchaser shall assign to the supplier all its rights to recover possession against third parties.
 7. In the event that the new secured goods are resold the assignment of claims from Section 4 shall apply to the amount corresponding to the value invoiced by the supplier for the original secured goods.
 8. The purchaser is authorized to collect assigned claims arising from the resale. The entitlement of the supplier to collect the claims is unaffected by this however. The supplier shall not make use of this entitlement provided the purchaser fulfils his contractual obligations, in particular his payment obligations.
 9. If there is an important reason, the purchaser is no longer authorized to resell, process, blend or mix the secured goods. His authorization to claim assigned claims ends. An important reason, for example, is default in payment or suspension of payment on the part of the purchaser, an application for or the opening of insolvency procedures against the assets of the purchaser, or a bill protest. The supplier is also entitled to disclose the security assignment after previous threat and appropriate deadline, to liquidate the assigned claims and to demand disclosure of the assigned securities by the purchaser towards the customer.
 10. If the purchaser does not fulfil his contractual obligations, for example by defaulting on payment, the supplier is entitled, on expiry of a reasonable deadline set for the purchaser to comply, to take back the secured goods and cancel the contract. The supplier is entitled to take back the goods and withdraw from the contract in cases regulated by law, even without setting a deadline.
 11. The taking back of secured goods, the assertion of the retention of title or the seizure of the secured goods constitute withdrawal from the contract unless the supplier indicates otherwise. The proceeds from the sale of the secured goods taken back, minus the realization costs, shall be credited against the purchaser's obligations. The purchaser shall continue to be liable for obligations still open after realization.
 12. If in the event of realization the realizable value of all the securities given by the purchaser exceeds the value of the receivables they secure by more than 10 % then the supplier shall release an appropriate part of the rights to security at the request of the purchaser. The

supplier can freely select the security to be released.

IX. GENERAL, EXPORT CERTIFICATE

1. Should a clause of these General Conditions of Sale and Supply be or become ineffectual in part or in whole, this shall not affect the effectiveness of the rest of the clause or of other clauses.
2. The contract is subject to German Law to the exclusion of the United Nations convention on contracts for the International Sale of Goods.
3. If the purchaser is a registered trader the sole place of jurisdiction for all disputes arising directly or indirectly from this contractual relationship is the registered seat of the supplier. The supplier is also entitled to take legal action against the purchaser in any other legal court.
4. If the purchaser is resident outside the Federal Republic of Germany and ships the delivery item abroad himself or via a third party he shall provide the supplier with the export certificate required for tax purposes. Otherwise the purchaser shall pay the sales tax calculated on the basis of the invoice amount at the rate applicable to deliveries within the Federal Republic of Germany.
5. Additional agreements other than in written form do not exist. Changes and amendments to these general conditions of sale and supply require written form. This also applies to changes of this clause.