

General Terms and Conditions of Sale of Magna Seating (Germany) GmbH ("MAGNA")

1. General Terms / Scope

- 1.1 The legal relationship between the PURCHASER and MAGNA shall be determined by the following general terms and conditions of sale ("Sales Conditions") and, if any, additional terms agreed in writing between PURCHASER and MAGNA.
- 1.2 The Sales Conditions apply exclusively; contravening or differing terms and conditions of PURCHASER do not apply, unless MAGNA has accepted such conditions in writing. The Sales Conditions also apply if MAGNA, while being aware of PURCHASER's contravening or differing terms and conditions, accepts and makes deliveries to the PURCHASER.
- 1.3 The Sales Conditions also apply for all future deliveries to be made by MAGNA, even if MAGNA does not make reference to the Sales Conditions in the relevant shipping document. These Sales Conditions hold until MAGNA issues new Sales Conditions.

2. Conclusion of the Contract (Orders and Acceptance) and Changes and Amendments

- 2.1 Supply contracts (orders and acceptances), order releases and other transactions between MAGNA and PURCHASER, as well as any changes and amendments thereof have to be made in writing. Orders and order releases may also be issued by electronic data-transfer.
- 2.2 Non-written (verbal) agreements made prior to, at or after the conclusion of the contract, especially subsequent amendments or changes of the Sales Conditions (including this in-writing-provision-clause), as well as any kind of ancillary or collateral agreements are subject to written confirmation by MAGNA.
- 2.3 Cost estimates of MAGNA are non-legally binding cost estimates, unless otherwise agreed in writing.
- 2.4 If PURCHASER does not accept MAGNA's offer within fourteen days after receipt, MAGNA has the right to cancel its offer.

3. Product Price and Payment Terms and Conditions

- 3.1 The payment for the delivery shall be made by PURCHASER within 30 days net after delivery, unless otherwise agreed in writing. This period begins with the date MAGNA makes the goods available for transport in case of EXW/FCA Incoterms 2010.
- 3.2 PURCHASER has the right of set-off or retention only if such rights are undisputed or confirmed by a legally enforceable judgment. The right of retention must furthermore be based on the same contractual relationship.

4. Delivery Dates, Passing of the Risk, Transport

- 4.1 Unless different delivery terms have been agreed in writing, delivery shall be made EXW-Incoterms 2010. SUPPLIER bears any further and additional costs like the transportation costs, customs, levies etc.
- 4.2 PURCHASER's performance of its obligations is a pre-condition of MAGNA's obligation to meet the delivery dates. The date of making the goods available for picking up shall be considered as timely delivery at the agreed delivery date, if EXW/FCA has been agreed on. If PURCHASER is in delay of the acceptance (picking-up) of the goods or in breach of any other obligations, MAGNA is entitled to claim damages.
- 4.3 In case of call orders, MAGNA shall specify and release the amount of a single order and the date of these partial deliveries. Any notification by MAGNA to PURCHASER concerning the estimated amounts of delivery, does not bind MAGNA to accept the respective delivery. Call orders may also be issued through electronic data transfer according to the standards applicable in the automotive industry.
- 4.4 Upon the date on which the goods have been made available and on which the PURCHASER is in delay of picking it up, PURCHASER bears the risk of the goods being damaged or destroyed.
- 4.5 MAGNA is only obliged to supply (maximum) amounts of goods as agreed in writing. PURCHASER has no right to demand any additional amount of goods.
- 4.6 Should MAGNA deliver more or less goods than ordered, and/or in case of late delivery, PURCHASER shall immediately inform MAGNA.

5. Force Majeure

In case of Acts of God, civil unrest, governmental or administrative actions, labor strikes or other unforeseeable, inevitable events, MAGNA shall be released from its obligations for the duration and to the extent of such disturbance, independent of whether it occurred in its sphere or in the sphere of its suppliers or outside its sphere.

6. Warranty / Liability

- 6.1 Unless stated otherwise in the Sales Conditions, the relevant law concerning the definition of defects (including improper title to the goods) shall apply.

MAGNA has the right to choose the type of remediation of defects. In case MAGNA does not remedy the defect or deliver goods free of defects, PURCHASER might rescind from the order/contract only to the extent it relates to the defective goods or reduce the price for the defective goods. PURCHASER can only claim such costs as provided for by mandatory law, other warranty rights of the PURCHASER regarding the defective goods are excluded. MAGNA shall only reimburse the costs for disassembly/assembly of the defective goods and the cost for transport of the replacement goods to PURCHASER.

- 6.2 Unless otherwise expressly agreed, the warranty period shall be 24 (in words: twentyfour) months. The warranty period begins with the handover of the goods or the sale of the product, in which MAGNA's goods will be built in, however, ends at the latest 26 (in words: twentysix) months after delivery to PURCHASER. In case the goods are subject to a formal acceptance ("förmliche Abnahme"), the warranty period shall commence upon acceptance of the goods by PURCHASER; if the acceptance test is delayed without MAGNA being responsible for such a delay, the warranty period shall commence at the latest 2 (in words: two) months after MAGNA has provided the goods for the formal acceptance.
- 6.3 All other claims due to breach of contract or breach of other obligations are excluded if such breach is caused by negligence (including gross negligence), unless mandatory law provides otherwise. In any case, the calculation of damages is restricted to "typical" and "foreseeable" damages and the amount of damages have to be in a reasonable relation to the price of the goods.
- 6.4 Should MAGNA be subject to a claim based on product liability caused by a defect of the goods delivered by MAGNA, then PURCHASER is obligated to hold MAGNA harmless and shall indemnify MAGNA of all claims brought by third parties to the extent MAGNA cannot be held liable under Article 6.3. Should PURCHASER's liability be based on fault, MAGNA is only then liable if the fault is on the side of MAGNA.

7. Retention of Title and MAGNA-Materials

- 7.1 MAGNA will retain title to the goods until MAGNA has received full payment of all payment-claims due under the respective supply agreement. If PURCHASER is in delay of payment or otherwise in breach of contract, MAGNA has the right to recollect the goods at any time; the recollection of goods shall not be considered as a waiver of any claims MAGNA might have against PURCHASER. PURCHASER has the right to sell the goods within the ordinary course of business upon the assignment of PURCHASER's claim it has against its customer equalling the amount of the due claim MAGNA has against PURCHASER. MAGNA will only directly claim such amount from PURCHASER's customer / debtor if PURCHASER is in delay of payment.
- 7.2 PURCHASER is obligated to inform MAGNA immediately about any rights a third party might have concerning the goods. This also applies for any (potential) assignment of receivables by PURCHASER to third parties with respect to the goods.
- 7.3 MAGNA shall remain the owner of any materials, parts, containers and/or custom packaging provided by it to PURCHASER. Those items shall only be used in accordance with the agreed terms of use. Upon the processing and/or assembling of such items and goods MAGNA shall become co-owner of the goods which are comprised of MAGNA's goods, materials and parts. The proportion of the co-ownership shall be proportional to the value of MAGNA's items within such new product. The items provided by MAGNA shall be kept in a proper condition by PURCHASER. In case PURCHASER sells the new product, Article 7.1, 3rd sentence shall apply.
- 7.4 MAGNA shall release any part of the security it might receive from PURCHASER under Article 7, if and to the extent the security exceeds 120 % of the value of the secured claim.

8. Confidentiality

- 8.1 PURCHASER is obligated to keep all information disclosed by MAGNA or the companies affiliated to MAGNA as defined under § 15 German AktG and to treat them as business and trade secret and will ensure that third parties will not have access to such information. This does not apply, if this information:
 - (a) is publicly available or
 - (b) is provided to PURCHASER by a third party which was entitled to provide such information and which was not subject to a confidentiality obligation or
 - (c) was provably already known to PURCHASER prior to the receipt of the information.
- 8.2 PURCHASER is obligated to immediately inform MAGNA in case it becomes aware that third parties gained access to confidential information or in case such confidential information was destroyed or lost.
- 8.3 PURCHASER agrees - to the extent not agreed otherwise by separate contract - not to make use of the confidential information outside the scope of the contractually agreed purpose without prior written consent of MAGNA.
- 8.4 This confidentiality obligation applies to all persons engaged by PURCHASER independent of their contractual relationship.

PURCHASER is obligated to inform and bind all those persons and employees ("Erfüllungs- und Verrichtungsgehilfen") or any other third parties who have access to the confidential information to their confidentiality obligation. PURCHASER will keep the number of such persons to the minimum possible.

- 8.5 This confidentiality and use restriction obligation applies for the duration of the business relationship and for a period of 10 (in words: ten) years after the termination thereof.

9. General Provisions

- 9.1 In case PURCHASER ceases to make payment or applies for insolvency or non-judicial settlement proceedings or other judicial proceedings are applied for, MAGNA shall be entitled to rescind from the respective contract with respect to the part not yet fulfilled. MAGNA shall have the right to set off with (i) a receivable MAGNA might have towards an affiliated company of the PURCHASER as defined under § 15 German AktG or with (ii) a receivable an affiliated company of MAGNA as defined under § 15 German AktG might have against the PURCHASER or against an affiliated company of the PURCHASER as defined under § 15 German AktG against a receivable the PURCHASER has towards MAGNA.
- 9.2 PURCHASER is not allowed to assign any rights, obligations or part or the entire contract to any third party without the prior written approval of MAGNA.
- 9.3 Any provision which is or shall become invalid shall not affect the validity and enforceability of other valid provisions. The Parties agree that such invalid provisions shall be replaced by a valid provision which, in its commercial and legal effect, is approximate to the one which shall be substituted.
- 9.4 The competent court for MAGNA shall be the exclusive place of jurisdiction for all disputes arising from or in connection with the business relationship. MAGNA has the right but not the obligation to choose any other jurisdiction which would otherwise be the competent court under the applicable law.
- 9.5 The laws of the Federal Republic of Germany shall exclusively apply excluding the provisions of private international law, unless otherwise agreed to in writing. The application of laws on the international sale of goods, in particular the Convention of the United Nations of 11.04.1980 on Contracts regarding the International Sale of Goods (CISG) is hereby excluded.

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