

HBN-Teknik A/S - Terms and Conditions of Sale and Delivery

I. Applicable terms and conditions

The legal relations between HBN-Teknik A/S as the supplier (hereinafter referred to as "HBN") and the Customer are governed by these terms and conditions and any other additional agreements. Amendments and supplements to these terms and conditions must be made in writing (including electronic data transmission such as e-mails), including waivers to the written form requirement. The Customer's possible general terms and conditions do not apply unless expressly agreed in writing.

II. Orders

1. All delivery contracts (orders and acceptance) and call-off orders, along with any amendments and supplements to the same, must be made in writing. If the written form requirement is not fulfilled, then the contract becomes valid at the latest when the order is executed by HBN (implied acceptance of order), without prejudice to HBN's right under Section II, 5. Call-off orders are binding only within agreed firm periods. Non-firm forecasts are indicative only.
2. Orders must comply with HBN's minimum order quantities and standard packaging units.
3. In the case that HBN fails to accept the order or the call-off order within three weeks after receiving it, the Customer may cancel the order by written notice to HBN, provided that HBN has not dispatched an order confirmation prior to receipt of such cancellation notice.
4. HBN reserves the right to make design changes to the product if these changes do not affect its use and installation.
5. Orders are not binding for HBN, until HBN has issued a corresponding order confirmation to the Customer.
6. Confirmed orders cannot be postponed, changed or cancelled without prior written acceptance from HBN.

III. Payment

1. Payment must be made according to the agreed conditions.

2. If payment terms have not otherwise been agreed, all payments must be made net 30 days after delivery.

3. If delivery terms have not otherwise been agreed, EXW will apply.

4. The Customer is not entitled to withhold payments or set off any counterclaims unless such claims have been expressly acknowledged in writing by HBN or finally adjudicated by a competent court.

IIIA. Prices

1. Prices are subject to change in the event of significant cost increases impacting the final price of the goods, including but not limited to raw materials, semi-finished goods, components, energy, transport and packaging.
2. Confirmed prices for orders with delivery later than eight (8) weeks from the date of order shall be subject to reconfirmation and adjustment if the above-mentioned cost elements have changed significantly.
3. Price validity and quotation validity shall be agreed on a case-by-case basis.

IV. Notice of Defects

1. The Customer must comply with the requirement to examine and notify nonconformity, i.e. to inspect the goods immediately after receipt and to notify HBN in writing immediately of any detected defects. Other defects of the delivery must be reported immediately to HBN in writing as soon as they are identified in the normal course of business.
2. HBN does not accept debit notes of the Customer, unless HBN prior to the debit note has accepted the Customer's notification of nonconformity.
3. The Customer must document that any alleged defect existed at the time of delivery and that the goods are defective.
4. In the event of a complaint, the Customer is not entitled to determine the method of resolution. In particular, no return of goods may take place without prior written agreement with HBN.

V. Non-disclosure

1. The contractual parties are obliged to treat any commercial or technical information (in any form whatsoever), which is not public knowledge and has become known to them because of the business relationship as confidential.
2. In particular, drawings, sketches, models, samples, tools, test reports, measurement data, procedures, processes, programs, software, parts lists, price and quantity agreements may not be disclosed to any unauthorized third parties or made available in any other way. The aforesaid remains the property of HBN and the Customer respectively. Copying of such information is permitted only within the framework of operational requirements and the copyright stipulations.
3. Sub-suppliers must be bound accordingly.
4. In case of a breach of confidentiality obligations the other contractual party is entitled to claim for the resulting damages.

VI. Dates of delivery

Agreed dates of delivery or deadlines are approximate and non-binding in all cases, unless expressly agreed in writing as binding. Even where dates are agreed as binding, HBN's liability for delay shall be governed exclusively by Section VII.

VII. Delay of delivery

1. HBN must compensate the Customer for damages caused by delay of delivery only in the event of HBN's willful intent or gross negligence.
2. In case of HBN's simple negligence, the damages payable is limited to additional freight costs and refitting costs.
3. Only if the Customer has unsuccessfully given HBN a reasonable deadline of no less than four (4) weeks to fulfil delivery obligations and can demonstrate that it has irretrievably lost interest in the delivery, the Customer may claim compensation for damages. The compensation for damages is limited to the documented additional expenditure incurred in making covering purchases.
4. HBN is under no circumstances liable for the Customer's loss of profit and damage caused by disruption of operations, including possible

contractual penalties to be paid by the Customer, and all other indirect damages.

VIII. Force majeure

1. Force majeure, strikes, unrest, governmental provisions (factory closures, factory restrictions, withdrawal or restriction of factory permits, etc.) and other unforeseeable, unavoidable and serious events including shortages of raw materials, energy supply disruptions, and supplier failures release the contractual partners from their duty to perform their obligations for the period of the disruption and its effects. This also applies if these events occur at a time when the respective contractual party is in delay. The contractual parties are obliged to provide all required information within reason and without delay as far as possible to adapt their obligations to the changed circumstances in good faith.

IX. Quality and documentation

1. If HBN after careful testing cannot assure the Customer that the possibility of adverse effects can be excluded, HBN must inform the Customer in advance before making any changes to the product, e.g. in terms of the materials or manufacturing process, enabling the Customer to ascertain whether the planned change will have any adverse effects. Any changes to the product following this procedure are at the risk of Customer.
2. Regarding initial sample inspections, volume no. 2 of the German Association of the Automotive report, "Ensuring Quality of Supply, production process and product approval PPF", in the latest version is applicable.
3. If HBN and the Customer have not specified the type and scope of these inspections and the testing equipment and methods to be used, the Customer must, upon HBN's request, be prepared within the range of the Customer's expertise, experience and capabilities to discuss the testing procedure with HBN in order to determine the respectively required state of the testing technology. Moreover, the Customer must inform HBN of all relevant safety legislation.
4. With respect to the documentation and archiving of quality requirements (including special features and characteristics), VDA volume no. 1

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"Documentation and Archiving" in the latest version is applicable.

5. If the authorities that are responsible for vehicle safety, emissions standards etc. demand access to the Customer's production processes and test reports to ensure that applicable standards are met, HBN must give reasonable assistance to the Customer upon the Customer's request.

X. Liability for defects

1. In the event of the delivery of defective goods, the Customer may demand the following, if the respective legal requirements and the requirements listed below have been met, and provided no other agreements have been made:

a) Before start of production (processing or fitting) the Customer must, in the first instance, give HBN the opportunity to either sort out, repair or replace the defective goods (at the choice of HBN). If HBN is unable to do so, then the Customer may terminate the contract regarding the delivered defective goods without notice. In urgent cases the Customer may, with the consent of HBN, repair the defect himself or have it repaired by a third party. Any costs arising hereof must be borne by HBN, provided that HBN has given its prior consent to the reparation. If the same goods are repeatedly supplied in a defective condition, then, after issuing a written notification, the Customer is entitled to withdraw the contract with respect to the goods not yet supplied.

b) If the defect is discovered only after production, despite compliance with the obligation under the terms of Section IV (Notice of Defects), the Customer can claim reparation or replacement (at the choice of HBN) at HBN's cost. If HBN cannot repair or replace the supplied goods within reasonable time, the Customer can claim a reduction of the purchase price.

c) The Customer is entitled for further claims regarding expenses and damages arising from the delivery of defective goods only when this has been agreed beforehand. For any new agreements made, Section XVI, 1 must be observed. In any event, HBN's liability arising from the delivery of defective goods for the Customer's loss of profit, damages caused by disruption of operations, including possible contractual penalties to be paid by the

Customer, and all other indirect damages, are excluded.

HBN shall exclusively determine the appropriate remedy for valid claims, including but not limited to replacement, repair, price reduction or issuance of a credit note.

2. The parts to be replaced must be made available by the Customer to HBN immediately upon request and at HBN's expense or properly stored until inspection. If storage includes costs, HBN may request that the defective goods be destroyed.

3. Claims of liability for defects must be made in writing no later than 12 months after delivery, after which point in time such claims cannot be made. In the event of rectification of defects or replacement delivery the warranty period does not commence anew.

4. Claims are excluded insofar as the damages can be attributed to the Customer's violation or non-observance of the latest operating, maintenance and installation instructions and other technical documentation. Unsuitable or improper use, incorrect or careless handling and normal wear-and-tear, or changes to the delivered goods made by the Customer or a third party have the same effect.

5. In the event of defective goods delivered, the Customer's claims under the law of the Product Liability Act remain unaffected by this Section X. Guarantees of quality and durability must be expressly defined as such in detail and in writing.

6. Any return of goods requires prior written approval from HBN. Unauthorized returns will be rejected at the Customer's expense.

XI. Limitations of Liability

In the absence of any other liability provision within these terms and conditions, HBN is liable for compensation for damages for documented losses incurred by the Customer caused by HBN in the following cases only:

1. HBN must be liable only for willful intent or gross negligence (of vicarious agents as well) according to the applicable law. The same does apply in cases of injuries caused because of simple negligence to life, body or health. In case of damage to property

and financial loss caused because of simple negligence, HBN will only be liable provided an infringement of essential contractual obligations is involved. Essential contractual obligations are those of which the fulfilment makes proper performance of the Agreement possible at all. In these cases, the liability of HBN is limited to the damages foreseeable at the time of conclusion of the Agreement and typical for the Agreement.

2. Claims by the Customer are excluded insofar as the damages can be attributed to violation or non-observance of the latest operating, maintenance and installation instructions and other technical documentation. Unsuitable or improper use, incorrect or negligent handling, normal wear-and-tear or faulty repair of goods have the same effect.

3. If the Customer intends to raise claims against HBN in accordance with the aforementioned provisions, the Customer must immediately and comprehensively inform and consult HBN. The Customer must give HBN the opportunity to investigate the damages incurred. HBN and the Customer must then discuss any steps to be taken, in particular settlement negotiations. If HBN instigates a recall, the Customer undertakes to support HBN by all means possible.

4. In no event shall HBN's total aggregate liability for delay of delivery or defects exceed the sales price (VAT excluded) of the delayed or defective products giving rise to the claim.

XII. Intellectual Property Rights

1. The Customer undertakes to use the supplied goods to avoid an infringement of any third party rights.

2. HBN is not liable insofar as HBN has manufactured the supplied goods in accordance with drawings, models or similar other descriptions or information provided by the Customer. In this event the Customer indemnifies HBN against all claims from third parties.

3. The contractual parties agree to give each other the opportunity to counteract any claims resulting from any alleged contraventions.

4. The principles contained in Section XI, 1 – 2 regarding the limitation of liability must apply accordingly.

XIII. Use of the Customer's means of production and confidential information provided by the Customer

Models, matrices, patterns, samples, tools and other means of production, as well as confidential information provided to HBN by the Customer or fully paid by him, may be used for deliveries to third parties only with the prior written consent of the Customer.

XIV. Retention of title

1. HBN retains ownership of all goods supplied until all claims resulting from the business relationship with the Customer have been settled in full; in this regard all individual deliveries are considered as components of one continuing delivery transaction. The retention of title is a security against any amounts outstanding.

2. If goods supplied are joined with other objects and if one of these objects is to be considered the main object, then the Customer assigns to HBN – insofar as the main object is not already the object(s) delivered by HBN - a co-ownership share of the main object, in proportion to the value of the object(s) provided by HBN at the time of the joining, and grants HBN indirect possession.

3. If the Customer sells the delivered goods in accordance with the terms of the contract, the Customer assigns to HBN all of the Customer's claims against his customer (inclusive of VAT) including any ancillary rights until all of HBN's claims have been settled in full, irrespective of whether the delivered goods have been sold with or without processing, transformation, joining, mixing or blending as defined in clause 2 above.

If there is a reasonable issue - especially if the Customer does not meet his payment obligations - the Customer must upon HBN's request inform third parties of the assignment and provide HBN with all the necessary information and documentation required for the assertion of his rights.

HBN must release securities held insofar as their total value exceeds the claims being secured by more than 20%. HBN must decide which securities are to be released.

XV. Transfer of risk, acceptance and default in acceptance

1. The transfer of risk is determined according to Incoterms® 2020 (or the current valid version thereof) agreed upon by HBN and the Customer.
2. The Customer must not refuse acceptance on the grounds of a minor defect.
3. If shipment is delayed or is affected due to circumstances which are beyond HBN's responsibility, the risk is transferred to the Customer at the point in time at which the Customer has been notified that the goods are ready for shipment or acceptance.
4. The obligation to sign insurance coverage is determined according to Incoterms® 2020 (or the current valid version thereof) as agreed upon by HBN and the Customer.
5. Partial deliveries are permitted.
6. If HBN withdraws from the contract due to reasons attributable to the Customer - especially if the Customer contrary to the contract with HBN refuses to accept the goods - HBN can claim payment of damages in lieu of performance to a minimum value of 25% of the agreed net invoice amount, without prejudice to HBN's right to claim higher documented damages.

HBN expressly reserves the right to make additional claims to the extent HBN's loss exceeds the already paid compensation.

XVI. General Terms

1. In determining the level of damages to be paid by HBN in accordance with Sections VII, X, XI and XII, consideration must be given in HBN's favour to HBN's economic circumstances, the nature, scope and duration of the business relationship, any possible contribution to the cause and/or fault of the Customer and any especially unfavourable assembly situation of the part supplied. In particular the compensation, costs and expenditure to be borne by HBN should be in reasonable proportion to the value of the part delivered.
2. If one of the parties ceases payment or if insolvency proceedings or non-judicial settlement proceedings against said party's assets are applied

for, the other party has the right to withdraw from the yet unfulfilled part of the contract.

3. If any provision of these terms and conditions or of further agreements are or become ineffective, the validity of the rest of the contract must not be affected. The parties are obliged to replace the ineffective provision with one which is as close as possible to the original one.
4. Unless otherwise agreed, Danish law must apply, including the United Nations Convention on Contracts for the International Sale of Goods dated 11.4.1980. In principle the contractual language is English.
5. The place of performance for delivery of goods is determined according to Incoterms® 2020 (or the current valid version thereof) agreed upon by HBN and the Customer. The place of performance for payment is Ringsted, Denmark.
6. Any disputes regarding or arising out of these terms and conditions must be settled at the courts of law of Denmark, with the city court of Copenhagen as the court of first instance.
7. In accordance with the Data Protection Act it is hereby notified that HBN stores data relating to the Customer for use within the context of the cooperation.