

#### **CLAUSE 1: APPLICABILITY**

These conditions are applicable to all sales and deliveries of Sensata Technologies Bulgaria EOOD (hereafter Sensata) to its customers unless a deviation is made from any such condition in the written order confirmation. The customer irrevocably submits to and accepts these conditions by placing the order with Sensata. The applicability of conditions proposed by the customer is excluded, unless these conditions have been explicitly accepted by Sensata in writing.

#### **CLAUSE 2: OFFERS AND AGREEMENT**

No oral or written offers (even if made by means of price lists issued by Sensata or a quotation) shall bind Sensata. Only by Sensata's written confirmation of the order placed by the customer will the agreement with the customer be entered and effective.

#### **CLAUSE 3: PRICES**

The price agreed upon in the order confirmation has been calculated for delivery Ex Works Seller's nominated facility (Incoterms in its latest version) net of VAT, packaging and loading costs, unless otherwise agreed upon in writing.

#### **CLAUSE 4: QUANTITIES**

For all volume orders a deviation of 5% more or less than the quantity ordered shall constitute compliance with buyer's order and the unit price will continue to apply, unless specifically agreed upon in writing otherwise between the parties.

#### **CLAUSE 5: DELIVERY AND TIME FOR DELIVERY**

5.1 Delivery is made Ex Works Seller's nominated facility unless otherwise agreed in writing (Incoterms in its latest version).

5.2 The time for delivery begins at the date of confirmation of the order in writing by Sensata, but not until Sensata has received from the customer the information and materials necessary for the execution of the order. If the customer has not supplied Sensata with the information and materials necessary for the execution of the order within two weeks after the confirmation of the order, Sensata shall be entitled to cancel the order and terminate the agreement and customer shall be liable for all costs, incurred by Sensata including a reasonable allowance for pro-rated indirect costs and anticipated profits.

5.3 If the confirmation of the order or offer mentions a time of delivery, this time will be considered target period. Delay in time of

delivery does not give the customer the right to claim damages, to refuse the goods, or to wholly or partly cancel the agreement. Sensata has the right to carry out the order by means of partial deliveries. Unless there is question of force majeure on the part of Sensata, the customer has the right to cancel the agreement, if after the time of delivery having expired, a new time of delivery has been agreed upon with the renewed expiration of the delivery time giving the customer any further rights of remedy, in particular no a claim for compensation.

5.4 The time of delivery ends the moment Sensata has informed the customer that the goods are ready for shipment at its factory or warehouse.

5.5 Sensata delivers according to Incoterms in its latest edition.

#### **CLAUSE 6: TRANSPORTS - RISK OF LOSS**

6.1 Transportation is to be arranged by the customer at its own and exclusive risk and expense. This risk also includes any direct or indirect damage to delivered goods or on third parties or Sensata by these goods.

6.2 If requested in writing, Sensata will take care of the transportation at customer's risk and expense in a manner most appropriate in its opinion. Upon customer's written request Sensata will insure the transportation risk.

6.3 All risk of loss passes onto the customer upon delivery of the goods to the customer Ex Works Seller's nominated facility or as otherwise expressly agreed upon in writing.

#### **CLAUSE 7: CONDITIONS OF PAYMENT**

7.1 In as far no other conditions of payment have been agreed, payment shall be effected net within thirty (30) days after the date of invoice. Sensata reserves the right to demand advance payment in whole or in part or to ask for cash on delivery.

7.2 All payments shall be made free of all deductions or set-offs - unless Sensata has recognised in writing a counter-claim of the customer - at the office of Sensata or to its nominated postal or bank account. Drafts and cheques will only be accepted if explicitly previously agreed to in writing by Sensata and under the condition that the customer will take for its account all costs in connection with the cashing of the draft or cheque and with any endorsing or prolonging thereof. In case of payment by means of a draft the customer guarantees acceptance and payment thereof by the drawee. Customer expressly accepts that Sensata is not responsible for the delay in returning the draft in the case of non-acceptance. When paying by cheque the customer guarantees payment thereof by the drawee.

7.3 In case deliveries are made in portions, these payment conditions apply to each part delivered separately.

7.4 The customer is obliged to pay irrespective of whether it did or did not examine the goods.

7.5 If delay arises in the delivery due to circumstances for which the customer can be held liable, the amount owing will be due on the original date of shipment. Storage of the goods on behalf of the customer is made at the risk and cost of the customer. If the financial position of the customer or of the acceptant of the draft has deteriorated, before the moment a claim becomes due for payment or while the draft runs, or if Sensata receives unfavourable information about the customer or the acceptant, the customer is obliged to arrange for immediate payment should Sensata so require. If the customer is in arrears with its payments, Sensata can, regardless of any further claims, postpone the performance of its obligations resulting from all agreements concluded with the customer or cancel from all agreements charging all costs incurred.

7.6 If the customer does not pay within the time agreed Sensata has the right, without any proof of default, to charge the customer interest equal to the statutory rate, but at least 7% per year, without prejudice to any other remedy available to Sensata.

7.7 If, after the further expiration of a date payment as set forth by registered letter, no payment has been received, the customer will be additionally charged for the amount of the extra-judicial collecting charges. If judicial collection is necessary, the customer is also charged for the costs thereof.

#### **CLAUSE 8: MODIFICATION OF THE CONTRACT GOODS**

Sensata reserves the right to modify the specifications of goods designed by Sensata providing that the modifications will not materially affect the performance of the goods.

#### **CLAUSE 9: CANCELLATION OF ORDERS**

The customer does not have the right to cancel orders, except in the case as foreseen in article 5, than after written acceptance by Sensata. If Sensata accepts cancellation the customer shall be liable for termination charges which shall include a price adjustment based on the quantity of goods actually delivered, and all costs, direct or indirect, incurred and committed for the contract together with a reasonable allowance for pro-rated expenses and anticipated profits.

#### **CLAUSE 10: PROPERTY PROVISION**

10.1 Until the final settlement by the customer of payments due to Sensata, Sensata will retain the ownership of all goods delivered by it as guarantee for payment of all that is due without exception; consequently, as long as complete payment of the amount due to Sensata has not been affected the customer will not be allowed to make a loan on, to pledge or put the goods delivered to it under mortgage, nor to let, lend or in any way or under any title take them away from the business; the customer is however authorised within the normal course of business to sell the goods, provided it does it against cash payment or stating the property proviso made by Sensata.

10.2 The execution, if any, by Sensata of rights to which it is entitled on the basis of the property proviso including the attachment of the goods can in no way be regarded as an act resulting in the cancellation of the agreement.

10.3 The customer is obliged to inform Sensata forthwith if attachment of the goods is made by third parties or if the other measures with regard to the goods are taken by third parties.

10.4 The customer herewith assigns to Sensata, this as guarantee for payment of all that is due to Sensata without exception, all claims already existing or in future to be obtained by the customer against third parties in respect of the delivery or placing at the disposal of those third parties by the customer in any way or under any title of goods delivered by Sensata to the customer. At Sensata's request the customer will supply each time an accurate specification in writing of all its claims on third parties at a date to be appointed by Sensata. Insofar as assignment of these claims cannot take place legally at this moment because they are founded on legal relations not yet existing the assignment will be effected by receipt of the specification by Sensata, which serves as acceptance of the assignment.

10.5 At the request of Sensata, the customer must inform the relevant debtors of the assignment in writing and do all other things necessary or

desirable in order to give the assignment full legal effect. The customer must inform Sensata immediately, if attachment of the assigned claims is made by third parties or if other measure with regard to the claims is taken by third parties.

#### **CLAUSE 11: GUARANTEE**

11.1 Except as otherwise stated herein, Sensata warrants the goods delivered exclusively against faulty workmanship or the use of defective materials and that such goods will conform to mutually agreed upon written specifications, drawings and other descriptions for a period set forth in 11.4. Sensata further warrants that at the time of delivery Sensata has title to the goods free and clear of any and all liens and encumbrances.

11.2 This warranty is void if the defect was caused by customer's misuse, neglect, improper installation or testing, repair attempts not authorised by Sensata, unauthorised alteration or use of any such goods with supplies not meeting Sensata's specifications, or any cause beyond the range of normal usage or by accident, fire or other hazard.

11.3 Notwithstanding the above, Sensata does not warrant that its products are fit for the customer's intended specific application or need.

11.4 The guarantee commences on the day of delivery of the goods and is valid for a period of one year from date of shipment and covers the following products: including but not limited to thermostats, motor protectors, thermal controls, sensors, switches and other similar products.

#### **CLAUSE 12: COMPLAINTS**

All claims against Sensata on the grounds of incomplete or incorrect delivery are no longer valid, in case a relevant complaint has not been laid in writing before Sensata within fourteen (14) days after receipt of the goods (or in case of an order is delivered in portions, within fourteen (14) days after receipt of the portion concerned). In addition claims on the grounds of visible faults are no longer valid if the customer has not had the alleged fault registered on the bill of lading or notice of receipt immediately on receipt of the goods. When Sensata deals with a complaint it does not imply that it considers the complaint to be made in time or to be justified. Goods returned are exclusively accepted after previous shipment to Sensata and providing they are sent freight paid. A complaint does not entitle the customer to hold up payment or on its part to set off the amount to be paid. If Sensata deems the complaint to be timely made and to be justified, Sensata shall, in the case of incomplete delivery, supply the deficiency or, in case of incorrect delivery, repair the "incorrect" goods or replace the same by others, at Sensata's option, without Sensata being liable for any claims for damages.

#### **CLAUSE 13: QUALITY STANDARD AND LIMITATION OF LIABILITY**

13.1 Slight imperfections in quality and measurements do not constitute a breach of contract.

13.2 The customer is assumed to have made sure that goods are fit for the purpose it wants to use them for. Therefore Sensata is not liable when the goods do not comply with this purpose.

13.3 Sensata is not responsible for technical or other advice given by it or for services rendered by it.

13.4 Sensata has no further liability than complying with its commitments result from CLAUSE 11 (Guarantee) or from CLAUSE 12 (Complaints). Excluded are all further liabilities, except those founded on the willfulness or gross negligence of Sensata itself. So, liability for willfulness or gross negligence of personnel of Sensata is excluded as well.

13.5 Should Sensata be held liable for a breach of its contract, its sole and exclusive maximum liability shall in no event exceed the total purchase price under the applicable contract less the purchase price for any product delivered and accepted under this contract prior to the occurrence of the breach.

#### **CLAUSE 14: FORCES MAJEURE**

In the case Sensata is prevented from performing its obligations under the agreement by force majeure, Sensata has the right without judicial intervention to suspend the performance of the agreement or to consider the agreement terminated in whole or in part, at Sensata's option, without Sensata being liable for any claims for damages or guarantee. Force majeure in this case must be understood to mean any circumstances, foreseen as well as unforeseen, as a result of which observance of the contract can no longer be reasonably expected by the customers including by way of illustration but not limitation. War, sabotage, rebellion, revolt or other unrest, acts of hostile states, transportation disturbances, strikes, accidents, fire, explosion, storm and other catastrophes in nature shortage or workers, shortage of petrol, shortage of raw materials or machines, technical failures, devaluation and inflation, as well as sudden increases of import duties and revenues and/or taxes and delayed delivery by suppliers. In such cases Sensata has the right to divide in proportions among its customers the goods that are available.

#### **CLAUSE 15: PATENT INDEMNITY**

15.1 Sensata shall hold the customer harmless from indemnify the customer for all costs, damages and interests, to which the customer may be condemned by final and conclusive judgment or which pursuant to a settlement made amicably, may become due as a result of claims of third parties in connection with the delivery of goods by Sensata to the customer.

15.2 This safeguarding is made under the condition that the customer informs Sensata immediately of the alleged infringement, supplies Sensata with the originals of all letters and legal documents exchanged in connection with the infringement and furthermore grants Sensata power of attorney and authority to have the dispute and court proceedings possibly resulting therefrom conducted by a lawyer to be appointed by Sensata in accordance with instruction to be given by Sensata.

15.3 The aforementioned safeguarding is not applicable in the case the infringement is a result of the fact that the goods have been adapted to specifications submitted by the customer or is a result of alterations or additions made by the goods, after delivery by Sensata, or is a result of other circumstances for which the customer can reasonably be held liable.

15.4 In addition Sensata is not responsible, if the customer, after it has been informed of the alleged infringement, continues unless Sensata has given its permission in writing to do so.

15.5 The aforementioned is the only and exclusive responsibility of Sensata in connection with infringement of the rights or third parties and Sensata is in no way further or otherwise responsible to the customer.

#### **CLAUSE 16: NON-WAIVER OF DEFAULT**

In the event of any default by the customer, Sensata may decline to make further shipment. If Sensata elects to continue to make shipments, Sensata's

action shall not constitute a waiver to claim any default by customer nor in any way affect Sensata's legal remedies for any such default.

#### **CLAUSE 17: TERMINATION**

If the customer does not comply, duly or in time, with any obligation which might result from an agreement made with Sensata as well as in the case of bankruptcy, suspension of payment, closing down or liquidation of the customer's company, he is supposed to be in default by law and Sensata has the right without giving notice of default and without judicial intervention to delay the execution of the agreement or to terminate the agreement in whole or in part, at Sensata's option, without Sensata being liable to any compensation or guarantee, but regardless of Sensata's further rights. In these cases all claims, which Sensata has against or are due from the customer, are due immediately and without delay.

#### **CLAUSE 18: ASSIGNMENT**

The rights and obligations off the customer by virtue of these terms and conditions cannot be assigned by the customer otherwise than to the successors and assignees of the entire business of the customer. Sensata shall have the right to assign and transfer all its obligations and rights under the agreement with the customer to any third party, upon written communication to the customer.

#### **CLAUSE 19: EVIDENCE**

Subject to proof of the contrary, the administrative data and accounting records of Sensata are final proof in connection with the agreements made by the customer.

#### **CLAUSE 20: APPLICABLE LAW, COMPETENT JUDGE**

Bulgarian law is exclusively applicable to the legal relations between Sensata and the customer. The competent judge at Sofia has in first instance exclusive jurisdiction in respect of the ruling of disputes between Sensata and the customer. The applicability of the Vienna purchase pact is expressly excluded.

#### **CLAUSE 21: EXPORT CONTROL**

In recognition of U.S. and local (in particular Bulgarian) export control laws, buyer hereby agrees that any export license or other documentation will be obtained prior to exportation of any product or technical data acquired by the buyer from Sensata. Accordingly buyer shall not sell, export, re-export, transfer, divert or otherwise not to dispose of any such product or technical data directly or indirectly to any person or firm or country, or countries, in violation of the laws or regulations of the United States or local laws (in particular Bulgarian laws). Furthermore, buyer agrees to notify any person obtaining such products or technical data from the buyer of the need to comply with such laws and regulations. Buyer agrees to, at its own expense, secure such licenses and export and import documents as are necessary to buy and resell the products. In case an export license is refused, buyer shall not be entitled to return products or technical data or ask for compensation.

#### **CLAUSE 22: COMPLIANCE WITH ANTI-CORRUPTION LAWS**

Both Seller and Buyer represents, warrants and undertakes to comply with any anticorruption law or similar legislation, codes, rules, policies and regulation applicable to the performance of its obligations in relation to any order ('Anti-Corruption Laws') and not take any action or permit, authorise or tolerate any action in violation of the Anti-Corruption Laws.

**CLAUSE 23: COMPLIANCE WITH DATA PROTECTION**

From time to time Seller may transfer data acquired from Buyer for the purpose of carrying out the performance of this agreement with any member of its group (which means subsidiaries, ultimate holding company and its subsidiaries worldwide). The data collected may be transferred to, and stored at, a destination outside the European Economic Area ("EEA"). It may also be processed by staff operating outside the EEA who work for Seller. By Buyer submitting data, Buyer agrees to this transfer, storing or processing. Seller will take reasonable steps necessary to ensure that Buyer's data is treated securely and in accordance with the practices contained in Directive 94/46/EC.