

General Terms and Conditions of Purchase

R+S Automotive GmbH

August 2013

I. Orders and their Acceptance

1. Orders and agreements shall only be binding, if they are placed or acknowledged in writing by the R+S Automotive GmbH (hereinafter called R+S Automotive). The acceptance of orders shall be acknowledged to R+S Automotive in writing immediately after their receipt.
2. The execution of R+S Automotive's order shall be deemed to be an acceptance of the R+S Automotive terms and conditions. If in exceptional cases the prices are not agreed in advance, they shall bindingly be indicated in the acknowledgement of order. R+S Automotive's right of objection and withdrawal shall remain unaffected.
3. These General Terms and Conditions of Purchase shall apply exclusively. Deviating, contrary or supplementary General Terms and Conditions of the Supplier (hereinafter called Contractor) shall only become part of the contract, if and insofar R+S Automotive has consented to their validity expressly and in writing. This approval shall be required in any case, even if, e.g., R+S Automotive knows the Contractor's General Terms and Conditions and accepts the Contractor's deliveries without reservation.

II. Prices

1. The agreed prices are fixed, free place of use prices, plus the respective legal value-added tax, including packaging and freight charges. The type of pricing shall not affect the agreement on the place of performance.
2. The price indicated in the order shall be binding. If the prices decrease within the period between order and delivery, the prices quoted on the delivery date shall apply. Price reservations by the Contractor shall release acceptance reservations at R+S Automotive. In case of an increase of prices agreed as being subject to change, R+S Automotive shall have the option of approving them or of withdrawing from the contract.
3. R+S Automotive reserves the acceptance of excess deliveries.

III. Trade Clauses

For the interpretation of trade clauses the INCOTERMS in force when the contract is concluded shall apply.

IV. Environmental, Safety and other Regulations

The Contractor shall be obliged to take any precautions required for environmental protection and accident prevention, and to consider any other official and legal requirements. If the object of delivery is intended for a place of use in a foreign country, and the Contractor knows it, the legal environmental, accident prevention and safety regulations of this country shall be observed as well. R+S Automotive shall be entitled to demand a certificate from the appropriate Professional Association which shall indicate that any relevant regulations for the prevention of accidents have been observed.

V. Object of Delivery

1. The object of delivery shall comply with the designated use and the state-of-the-art. If the Contractor intends to deviate from the contractually agreed delivery in particular cases, because this is reasonable or necessary, he shall obtain R+S Automotive's approval in writing before. The Contractor's obligation to deliver an object free of defects shall remain unaffected by R+S Automotive's approval.
2. The basic safety and health requirements for the conception and construction of machines according to the specifically applicable safety and machine directions shall be observed.
3. Any documentations, declarations, tests and markings required to comply the above are included in the scope of supply as well. Moreover the Contractor shall provide a manufacturer's declaration for the delivery of machines and a declaration of conformity as per the

EC directive 2006/42/EC for safety components separately put in circulation.

4. For the delivery of structural components, machine components as well as for the delivery of complete machines and units the following shall apply:
 - a. The Contractor shall assume full responsibility for the process-related design of the object of delivery. Any data and information required by the Contractor shall be made available to him by R+S Automotive on request.
 - b. Components which are not manufactured by the Contractor himself shall only be allowed in conformity with the list of appliances applied to this order. Deviations are only allowed with R+S Automotive's prior approval in writing.
 - c. Unless explicitly agreed otherwise, the object of delivery shall be lacquered in the colors defined for the order according to R+S Automotive's specification.
 - d. During the commissioning an acceptance certificate will be prepared for the object of delivery. With the signing of the certificate by R+S Automotive and/or by the enduser the period of warranty starts.

VI. Dates of Delivery and Delay

1. Partial deliveries and/or deliveries before the agreed date need R+S Automotive's prior approval. The additional costs arising from an earlier or partial delivery such as freight, storage, etc. shall be borne by the Contractor, if these deliveries were not explicitly requested by R+S Automotive, and R+S Automotive did not explicitly agree to bear these costs.
2. The agreed delivery dates are binding and shall strictly be observed. If a definite calendar week was agreed as date of delivery, the material shall be delivered by Friday, 14.00h at the latest.
3. If the Contractor realizes that the compliance with the delivery date is at risk, he shall inform R+S Automotive about it immediately, in order to allow possible other arrangements.
4. In case of a delay in delivery R+S Automotive shall have the legal entitlements. If a contractual penalty was agreed, making claims for other damages shall not be restricted thereby.
5. If the Contractor is beyond schedule, R+S Automotive shall be in a position – apart from other legal entitlements – to demand liquidated damages amounting to 0.5 % of the total delivery value per completed calendar week, altogether, however, amounting to not more than 5% of the net price of the total delivery value. R+S Automotive reserves the right to prove that we have suffered a higher damage. The Contractor reserves the right to prove that we have suffered no damage or only a considerably lower one.

VII. Shipment

1. The Contractor shall bear the labor and material costs for the loading and for the shipping documents as well as for the customary packaging, unless otherwise stipulated by individual agreement and/or by the agreed INCOTERMS.
2. For all consignments the specified weights shall be indicated in the documents accompanying the goods. In the case of delivery on call or in the case of interim storage upon R+S Automotive's request, care shall be taken to ensure a proper storage and adequate insurance.
3. Invoice, delivery note and shipping advice shall be sent to R+S Automotive correctly issued.
4. The Contractor shall be obliged, separately from the delivery of the actual object of delivery, to send a complete documentation according to EN ISO 12100 in the required quantity and execution to the R+S Automotive documentation department.

5. The Contractor shall be liable for consequences resulting from incorrect consignment note declarations. The shipping advice shall immediately be submitted on the departure of each individual consignment. If the shipping documents fail to show the designated place of destination, the department, the order number, the reference note or the note of issue, all costs thereby incurred shall be at the Contractor's expense.
6. If a price "ex works" or "ex stock" was agreed, R+S Automotive shall only bear the freight charges in accordance with the R+S Automotive procurement logistics of 11/1999. Any costs arising up to the handing over to the freight carrier, including loading and cartage, shall be borne by the Contractor.
8. The Contractor shall indemnify R+S Automotive from any third party claims for damages from product and manufacturer's liability, the cause of which is the Contractor's responsibility and for which the Contractor is himself liable towards third parties. In such an event of damage the Contractor shall also be liable for the costs of any product recalls that are necessary and for those damages and expenditures which R+S Automotive has agreed to pay out of court to third parties, in favorable consideration of the Contractor's interest.

VIII. Warranty and Deficiencies

1. All deliveries shall be made available to R+S Automotive free from material defects and deficiencies in title. They shall comply with the agreed condition. The deliveries shall equally be suited for the intended use specified in the contract, or in default of the latter, the usual intended purpose.
2. The Contractor shall guarantee and make sure that all deliveries are state-of-the-art-deliveries and that they comply with the relevant legal regulations and the regulations and directives of the relevant authorities, insurance associations and professional associations and, - if submitted and/or otherwise brought to attention - that they correspond to the details mentioned in the drawings or to other specifications. Deviations from the specifications shall always be deemed to be substantial breaches of duty, unless R+S Automotive themselves are able to put the product in a state according to specification with quite insignificant effort.
3. The Contractor shall undertake to use environment-friendly products and processes for his deliveries and services, and also for deliveries and services provided by third parties, as far as economically and technically feasible.
4. The Contractor shall guarantee the environmental compatibility of the delivered products and packaging materials and their proper disposal. Upon R+S Automotive's request the Contractor shall issue a quality certificate for the delivered products and packaging materials.
5. If the object of delivery is deficient, which also includes the non-compliance with indicated data, the Contractor shall remedy the deficiency without delay and free of charge, including any extra expenses (including assembly and disassembly costs) at R+S Automotive's option by repair or replacement of the deficient parts or of the complete object of delivery. Apart from the right of subsequent performance R+S Automotive shall be entitled to the legal claims, in particularly the right of withdrawal from contract, of reduction of price and/or of compensation.
6. If the Contractor does not fulfill his obligation within an appropriate period of time set as target by R+S Automotive, R+S Automotive shall be entitled to take the required measures themselves at the Contractor's costs and risk or to have them taken by third parties, the Contractor's obligations remaining unaffected by this, and to demand compensation and/or an advance payment for the required expenditures.
If the Contractor's subsequent performance fails or R+S Automotive cannot be reasonably expected to accept it (e.g., only smaller deficiencies are to be remedied because of particular urgency, the safety being at risk or a risk of an unreasonably great damage being imminent) the setting of a deadline is not needed; the Contractor will be informed about such circumstances without delay, if possible, beforehand.
7. Unless otherwise agreed by individual agreement, the period of the warranty obligation ends 36 weeks after the acceptance of the object of delivery by R+S Automotive or the handing over to the third party mentioned by R+S Automotive at the place of destination and/or use specified by R+S Automotive. For repaired deliveries or deliveries delivered in addition the statutory period of limitation of 36 months newly starts with the repair or the handing over of the new delivery. This regulation shall not apply, if the repair is effected as a gesture of goodwill or for reaching an amicable settlement.

IX. Property Rights of Third Parties

The Contractor shall guarantee that the delivery and use of the object of delivery does not infringe any protective rights of third parties, in particular patents, utility models, copyrights and competition laws and shall indemnify R+S Automotive from all claims asserted by third parties.

X. Drawings, Final Planning Documents, Tools

1. Drawings and other documents, devices, models, tools, other production means and supplies that are handed over to the supplier remain R+S Automotive's property. The ownership of tools and other production means which are paid by R+S Automotive passes on to R+S Automotive. The above-mentioned subjects may neither be scrapped nor made available to third parties - e.g., for the purpose of production - without R+S Automotive's written consent. For other than the purposes stipulated in the contract, e.g., for the delivery to third parties - they may not be used. During the execution of the contract they shall properly be stored for R+S Automotive by the Contractor at his own costs.
2. The care, maintenance and repair of the above-mentioned objects shall be incumbent on the Contractor, unless otherwise stipulated in the contract.
3. R+S Automotive shall reserve the right to details indicated in drawings made by R+S Automotive as well as to processes developed by R+S Automotive.

XI. Assignments, Set-Off and Right of Retention

1. An assignment of claims against R+S Automotive shall only be effective with R+S Automotive's prior written consent. This also applies to undisclosed assignment.
2. The Contractor shall not be entitled to set-off with asserted claims against R+S Automotive without R+S Automotive's prior consent, unless the claim has been ascertained as undisputable and legally binding.
3. Rights of retention by the Contractor are excluded, unless they are not based on the same contractual relationship.

XII. Place of Performance, Place of Jurisdiction, Applicable Law

1. Place of performance for the delivery is the place of destination indicated by R+S Automotive.
2. Place of performance for the payment is Bocholt. Exclusive place of jurisdiction for delivery and payment is Bocholt. The adjective and substantive law of the Federal Republic of Germany shall apply exclusively and without restriction: to the exclusion of the United Nations Convention of 11/04/1980 on contracts for the international purchase sale of goods.

XIII. Payment

1. Payments shall generally only be effected on the 25th of the month following the delivery, in accordance with the agreed discount conditions
2. The payment term shall only start with the day of arrival of the proper invoice at R+S Automotive - provided that material and proper documentation were received - , in case of a too early delivery it shall only start from the demanded date of delivery.
3. Invoices shall separately be sent in writing and in duplicate by post, the copies having to be clearly marked as such. In no case the invoices shall be added to the goods.

4. The ownership of the supplied material shall be transferred to R+S Automotive with the complete payment of the respective object at the latest. Any prolonged or extended reservation of proprietary rights of the Contractor shall be excluded.

XIV. Other

1. If the Contractor's assets are subjected to the opening of insolvency proceedings, R+S Automotive shall be entitled to retain 10 % of the order amount as security until the expiry of the time limit for defect-related claims. Apart from this R+S Automotive shall be entitled to withdraw from the contract for the part of the order not fulfilled, yet.
2. The Contractor shall be obliged to handle any company matters of which he got knowledge within the scope of the contract negotiation and execution and any other information received for R+S Automotive with strict confidentiality and to make them available to third parties only with R+S Automotive's consent.