

CONDITIONS OF PURCHASE

of the LEIBER Group GmbH & Co. KG, Aluminium Forging and Machining Technology

As per February 2011

1. VALIDITY OF GENERAL CONDITIONS OF PURCHASE

- 1.1. For the legal relations between the Supplier and LEIBER Group GmbH & Co. KG – hereinafter also named Customer – the following conditions are applicable. Amendments and supplements require the written form. Other general terms of the supplier do not apply even if they are not explicitly contradicted in individual cases.

2. DELIVERY CONTRACT – DELIVERY COMMITMENTS

- 2.1 Delivery contracts (order and acceptance) and delivery commitments as well as changes and supplements to same, shall be made in writing. Orders, delivery commitments as well as changes and supplements to same can also be made by remote data transmission and machine-readable data carriers.
- 2.2 Should the Supplier not accept the order within a week after receipt, the Customer is entitled to recall. Delivery commitments are binding at the latest, if the Supplier does not object within two weeks after receipt.
- 2.3 The Customer can demand changes to the construction and design of the delivery item to a degree that can be reasonably expected of the Supplier as long as the Supplier has not fulfilled his obligations to the full extent. In this respect, consequences, in particular with regard to additional and reduced costs as well as delivery dates, shall be regulated by mutual consent.
- 2.4 Should a contractual partner suspend payments, the other contractual partner is entitled to rescind the contract in respect of the non-fulfilled part.
- 2.5 The Supplier is only entitled to subcontract with the prior written consent of the Customer.

3. DELIVERY DATES AND DEADLINES, DELAY AND FORCE MAJEURE

- 3.1 Agreed dates and deadlines are binding. The delivery date or deadline is defined as the date on which the goods purchased arrive at the customer's premises. If "delivery duty unpaid" (DDU) is not agreed, the Supplier shall provide the goods in due time taking into consideration the usual time for loading and despatch.
- 3.2 The Supplier is obliged to compensate the Customer for losses caused by delay. If the confirmed delivery period is not complied with for circumstances for which the supplier is responsible or if the delivery is defective, we have the right, without prejudice to further legal claims to rescind the contract at our discretion and/or to claim damages. The Supplier shall reimburse additional costs arising from a defective delivery or performance. Acceptance of a delayed or defective delivery or performance does not constitute on our part a waiver on claims for damages. The right to demand an agreed penalty for non-performance will not be forfeited even if the penalty for non-performance was not expressly reserved on acceptance of the delayed delivery.
- 3.3 Force majeure, labour disputes, unrest, administrative measures and other unforeseeable, inevitable and grave events exonerate the contractual partner from the obligations for the duration of the disturbance and the extent of its impact. This also applies if these events occur at a time, when the relevant contractual partner is in the state of default. The contractual partners are obliged to a degree that can be reasonably expected to provide the required information immediately and to adapt their obligations to the changed circumstances in good faith.
- 3.4 Delivery before the agreed delivery date and/or partial deliveries are not permitted. Costs incurred by the Customer due to premature delivery or a partial delivery shall be reimbursed by the Supplier.

4. PACKAGING, DESPATCH, CERTIFICATION MARK

- 4.1 If not otherwise agreed, the goods to be delivered shall be packed appropriately as customary in trade or as requested by the Customer according to his instructions with packing prescribed or provided by the Customer. The Supplier is liable for damage resulting from non-conforming packaging. This however, does exceptionally not apply if the Customer has incorrectly stipulated or provided the specific type of packaging and the Supplier was unable to identify this. If he can identify the defect in the stipulated or provided packaging, he is obliged to inform the Customer of the defect.
- 4.2 As regards despatch, the relevant valid general forwarding instructions of the Customer are applicable.
- 4.3 As long as the goods manufactured by the Supplier for the Customer are required for export purposes, the Supplier is obliged to issue a written declaration of the origin according to customs law using a form prescribed by the Customer. The declaration shall be forwarded to the Customer together with the first delivery at the latest.
- 4.4 The Customer shall be notified immediately and unprompted of the origin of new delivery items or of a change in origin. The supplier is liable for all loss that the Customer suffers as a result of incorrect or delayed submission of the Supplier Declaration. If necessary, the Supplier shall provide evidence of his declaration of the origin of the goods in the form of a sheet of information confirmed by his customs office.

5. ACCEPTANCE AND NOTIFICATION OF DEFECTS

- 5.1 Acceptance is based on the agreements made in the delivery commitments. If the installation or mounting of the delivery item part of the scope of supply as additional services, a formal acceptance is required. It can only take place after a successfully completed test phase in accordance with the special conditions of the Customer. If such conditions have not been agreed, the delivery item is regarded as accepted with the ready status statement of the Supplier to be signed by the Customer.

- 5.2 The Customer shall inform the Supplier immediately in writing of non-conforming delivery as soon as it is established according to the regular course of business. In this respect, the Supplier renounces on objection of delayed notice of non-conformity.
- 5.3 Payments made by the Customer do not mean that the delivery item was accepted by the Customer.

6. QUALITY AND DOCUMENTATION

- 6.1 As regards his deliveries, the Supplier shall comply with the approved rules of technology, the safety provisions and agreed technical data. Changes to the delivery item require the prior written consent of the Customer.
- 6.2 For initial sample testing, reference is made to Volume 2 of the manuscript of the Association of the German Automotive Industry "Safeguarding the quality of deliveries" (current version) as well as to QS-9000 "PPAP" (current version). Irrespective thereof, the Supplier shall continuously inspect the quality of the delivery items. The contractual partners shall inform one another of the possibilities of quality improvement.
- 6.3 If the type and extent of the tests/inspections as well as the test equipment and methods are not agreed (fixed) between the Supplier and the Customer, the Customer is prepared within the scope of his knowledge, experience and possibilities at the request of the Supplier to discuss the tests/inspections with him that are required for determining the state of testing technology. Furthermore, the Customer shall inform the Supplier on request of the relevant safety provisions. At the request of the Customer, the Supplier will provide details on the composition of the delivery item, insofar as this is necessary for the fulfilment of official requirements in Germany and abroad.
- 6.4 With regard to the vehicle components contained in the technical documents or in particular, e.g. the components marked with "D" by special agreement, the Supplier shall make special recordings of when and in which form and by whom the delivery items have been checked for quality characteristics requiring documentation and the results arising from the required quality tests. The test documents shall be retained for fifteen years and presented to the Customer, if required. The Supplier shall commit pre-suppliers to the same extent permitted by law. As a guide, reference is made to Volume 1 of the manuscript of the Association of the German Automotive Industry, "Provision of evidence".
- 6.5 Insofar as authorities that are responsible for vehicle safety, aircraft safety, exhaust fumes etc., demand to view the production process and the test documents of the Customer for the purpose of verifying specific requirements, the Supplier declares his readiness at the request of the Customer to grant him the same rights in his production plant and to give him every reasonable support.

7. BILLING AND PAYMENT

- 7.1 For the purpose of orderly billing, reference is made to the valid procurement specifications of the Customer. Every invoice must include the LEIBER Supplier No. and Order No. The invoice shall be issued in compliance with § 11 of Sales Tax Law.
- 7.2 Payment, if not otherwise agreed, shall be made after receipt of the goods and correct and auditable invoice as stipulated in the agreement For deliveries within 14 days with 3 % discount, and within 30 days net. In the event of acceptance of premature deliveries, payment shall be due on the agreed delivery date. The payment of delivery items that the Supplier has to install/mount and which the Customer must accept after operational readiness is due 30 days after acceptance subject to compliance with the conditions as per 7.1.
- 7.3 Payment shall be made by bank transfer or cheque.
- 7.4 In the event of non-conforming delivery, the Customer is entitled to retain proportionate payment until proper fulfilment has been effected. The Supplier is not entitled to assign his receivables or to allow them to be collected by third party without prior written agreement of the Customer that may not be unreasonably refused. In the event of extended retention of title, agreement is regarded as having been signified.

8. WARRANTY/RIGHTS IN THE EVENT OF DEFECTS

- 8.1 In the event of delivery of defective goods with regard to production-linked deliveries, the Supplier shall be given the opportunity to reject and rework or redeliver before commencement of production (machining or installation), unless this cannot be reasonably expected of the Customer. If the Supplier is unable to make subsequent delivery or cannot comply with the time limit set by the Customer, the Customer may rescind the contract and return the goods at supplier's risk. In urgent cases, he may himself rework the goods or have them reworked by third party after consulting the Supplier. Costs incurred shall be paid by the Supplier.
- 8.2 In the event of faulty performance (delivery of defective goods) as well as failed reworking after delivery of defective goods, the Customer is entitled after issuing written warning to rescind the contract in the event of a further delivery of defective goods/reworking with respect to the scope of delivery that has not yet been fulfilled.
- 8.3 If the defect is not detected until after commencement of production despite observation of the obligation as per sub-section 4.2 (Notification of defects), the Customer may only claim damages for additional expenditures above and beyond the provision mentioned in sub-sections 7.1 and 7.2, if this is contractually agreed. Sub-section 2.2 must be observed in the event of newly contracted agreements.
- 8.4 The Customer shall provide the Supplier immediately at his cost on demand with the components that he has to replace.
- 8.5 The warranty terminates 24 months after the registration date of the vehicle or installation of spare parts, at the latest however, 36 months after delivery to the Customer.
- 8.6 Warranty claims do not arise, if the defect is a result of violation of operating, maintenance and installation instructions, inappropriate or incorrect use, faulty or negligent handling and natural wear as well as tampering with the delivery item by the Customer or third party.
- 8.7 Every single guarantee must be explicitly identified as such in writing.
- 8.8 If not otherwise regulated as mentioned above, the warranty is based on the legal provisions.

9. LIABILITY

- 9.1 The supplier shall only be liable for payment of damages in accordance with sub-sections 8.2 to 8.8 which shall arise to the customer directly or indirectly as a result of deficient delivery, infringement of official safety regulations, or from any other legal reasons attributable to the supplier unless provision for liability shall otherwise be made in these conditions.
- 9.2 Liability for damages is only applicable, if the Supplier is to blame for the damage he caused.

- 9.3 The supplier shall assume liability internally towards the customer to the extent that he also would be directly liable if a claim is made against the customer by reason of liability towards third parties in relation to mandatory rights independent of fault. The basic principles contained in section 254 BGB (German Civil Code) shall be correspondingly applied between the customer and the supplier for compensation for damages. This shall also apply in the case of a direct claim made by the supplier.
- 9.4 The liability to pay damages is excluded, insofar as the Customer, as far as he is concerned, has effectively limited his liability to his purchaser. The Customer shall then endeavour to agree limitations of liability to a legally permissible extent also in favour of the Supplier.
- 9.5 Claims of the Customer are excluded, as long as the damage is due to violation of operating, maintenance and installation instructions, inappropriate and incorrect use, faulty or negligent handling, natural wear or faulty repairs caused by the Customer.
- 9.6 The Supplier is liable for measures taken by the Customer to prevent damage (e. g. callback) insofar as he is legally bound.
- 9.7 The Customer shall inform and consult the Supplier immediately and extensively, should he wish to make use of same according to the above mentioned provisions. He shall give the Supplier the opportunity to examine the claim. The contractual partners shall agree to the measures to be implemented, in particular in the event of settlement negotiations.
- 9.8 The principles contained in sub-section 2.2 § 1 and 3 shall be applied accordingly, insofar as a Supplier insurance is either non-existent or inadequate.

10. INDUSTRIAL PROPERTY RIGHTS

- 10.1 The Supplier is liable for claims resulting from the violation of industrial property rights and registered industrial property rights relating to the use of the delivery items according to contract, of which at least one of the industrial property rights is published either in the native country of the Supplier, by the European Patent Office or in one of the states of the Federal Republic of Germany, France, Great Britain, Austria or the USA.
- 10.2 The Supplier exempts the Customer and his purchaser from all claims arising from the use of such industrial property rights.
- 10.3 This is not applicable insofar as the Supplier has manufactured the delivery items according to drawings, patterns or equivalent descriptions of information provided by the Customer and does not know or in conjunction with the products that he has developed is not obliged to know, that this is a violation of the industrial property rights.
- 10.4 Insofar as the Supplier is not liable according to sub-section 9.3, the Customer shall exempt him from all claims of third party.
- 10.5 The contractual partners are obliged to inform one another immediately of violation risks and alleged cases of violation that they are aware of and to allow one another the opportunity to counteract corresponding claims by mutual consent.
- 10.6 At the request of the Customer, the Supplier shall announce the use of his own and licensed, publicized and non-publicized industrial property rights and registration of industrial property rights pertaining to the delivery item.
- 10.7 The principles for limitation of liability contained in sub-section 2.2 § 1 and 3 shall be applied accordingly.

11. LABELLING OF GOODS

- 11.1 The Supplier shall label the delivery items in the manner prescribed by or if applicable in the manner agreed by the Customer.
- 11.2 The Supplier may only deliver to the Customer or to one of these specific third parties, delivery items that bear a protected trademark for the Customer or are equipped accordingly or are packed in the Customer's original packaging. If goods labelled accordingly are rejected as non-conforming, the Supplier shall render them unusable at his own cost.
- 11.3 The Customer may rescind the contract or demand restitution for the damage derived from the breach or reimbursement for loss arising to the Customer on breach of one of the duties aforesaid.

12. PRODUCTION EQUIPMENT AND CONFIDENTIAL MATTER OF THE CUSTOMER

- 12.1 Patterns, matrixes, templates, samples, tools and other production equipment, as well as confidential information that the Customer has placed at the disposal of the Supplier or that are paid by him in full, may only be used for deliveries to third party if prior written consent has been given by the Customer and shall be returned to the Customer on request.
- 12.2 The production equipment given to the supplier or those manufactured according to the data supplied by the Customer shall neither be duplicated nor sold, neither assigned as security, pledged, otherwise made available nor used in any other form for third party. The same applies to delivery items that are manufactured with the aid of these production equipment
- 12.3 For the rest, the corresponding special conditions of the Customer apply to the manufacture, maintenance and repair, use and storage of production equipment.

13. CONFIDENTIALITY

- 13.1 The contractual partners undertake to treat all non-apparent, commercial and technical details that they become aware of through the business relationship as trade secrets.
- 13.2 Drawings, patterns, templates, samples and similar objects shall not be handed over nor otherwise made accessible to unauthorized third party. Duplication of such objects is only permissible in the course of in-house requirements and copyright provisions.
- 13.3 Sub-suppliers shall be committed accordingly.
- 13.4 The contractual partners may only advertise with their business relationship after receiving prior written consent.
- 13.5 The obligations mentioned under 13.1 to 13.4 are applicable as from the commencement of contract negotiations between the Customer and the Supplier.

14. GENERAL PROVISIONS

- 14.1 The law of the Federal Republic of Germany is applicable if not otherwise agreed. The application of the Convention on Contracts for the International Sale of Goods is excluded.
- 14.2 Place of performance are the headquarters of the Customer. A further agreement can be made for the delivery.

- 14.3 Place of jurisdiction are the headquarters of the Customer. However, the Customer is also entitled to claim for damages at the place of jurisdiction of the Supplier.
- 14.4 Should a provision contained in these conditions and further agreements that are made be or become ineffective, the validity of the contract shall not be affected. The contractual partners undertake to replace the ineffective provision by a provision that comes closest to the economical success intended by the parties.

CONDITIONS OF PURCHASE

for non production-related deliveries

These Conditions of Purchase are applicable for the contractual relationship between the Supplier and the LEIBER Group GmbH & Co. KG, hereinafter named Customer, if not otherwise agreed in writing. Insofar as work or services are commissioned and special conditions are agreed for such aggregated orders, these Conditions of Purchase are not applicable.

1. DELIVERY CONTRACT

- 1.3 The delivery contract takes effect when a written order is issued and acceptance is confirmed (by the Supplier). The same applies to amendments or extensions to orders.
- 1.2 Should the Supplier not accept the order within 14 days after receipt, the Customer is entitled to recall without the Supplier being entitled to claim damages.
- 1.4 The Customer can reasonably demand changes to orders in respect of construction, design or delivery time to a degree that can be reasonably expected of the Supplier as long as the Supplier has not fulfilled his obligations to the full extent. The effects (e.g. extra or reduced costs; delivery dates) shall be adequately regulated by mutual consent.
- 1.5 The Supplier may only subcontract with the prior written consent of the Customer. Should a contractual partner suspend payments or if an application is made for bankruptcy or insolvency proceedings against him or an application is made for judicial or extrajudicial insolvency proceedings, the other contractual partner is entitled to rescind the contract in respect of the non-fulfilled part irrespective of other rights.

2. DELIVERY DATES/PENALTY FOR NON-PERFORMANCE

- 2.1 Agreed delivery dates are binding. In the event of "delivery duty unpaid" (DDU), the delivery date is regarded as having been met when the Customer takes receipt of the delivery item according to the terms of the contract, in other cases the delivery date is regarded as having been met when notification of allocation is made in due time.
- 2.2 If a penalty for non-performance is agreed in the event of the Supplier exceeding deadlines, the Customer retains the right to assert a higher claim by providing corresponding evidence. The right, to demand payment of an agreed penalty for non-performance, shall not be forfeited by the fact that the penalty for non-performance was not explicitly subject to acceptance of the delayed delivery.

3. DELIVERY/TRANSFER OF RISK

- 3.1 Delivery shall be made to the point of use or to the stipulated forwarding address agreed in the order.
- 3.2 Risk is transferred on receipt of the delivery and its acknowledgement by the Customer.
- 3.3 The Customer shall inform the Supplier immediately of non-conforming delivery as soon as it is established according to the conditions of regular course of business. Insofar, the Supplier waives an objection of delayed notice of defect.
- 3.4 Partial performances are not permitted unless otherwise explicitly agreed. The Customer is insofar entitled to cancel the residual quantity.
- 3.5 Violence, labour disputes, administrative measures or other unavoidable events, exempt the Customer for the duration of the disturbance from his obligation to accept the delivery item.

4. ACCEPTANCE

- 4.1 Should installation or assembly of the delivery item be regarded as an additional service within the scope of the order, an official acceptance is required. It can only be made after successful completion of the test phase according to the special conditions of the Customer. If no such conditions are agreed, the delivery item is regarded as accepted when the Customer signs the Supplier's declaration of readiness to operate.
- 4.2 Payments made by the Customer do not signify that the delivery item was accepted by the Customer.

5. QUALITY/DOCUMENTATION

- 5.1 The Supplier shall provide information at the request of the Customer on the composition of the delivery item insofar as this is necessary for fulfilling the official requirements of regulatory standing both at home and abroad.
- 5.2 In the event that the Customer demands initial or reference samples, the Supplier shall not commence production of the delivery item until he has received the corresponding written consent of the Customer.

6. PAYMENT/ASSIGNMENT

- 6.1 Payment is not made until the Customer has received the delivery item in accordance with the provisions of the contract as well as the auditable invoice. Deliveries that are made prior to the agreed delivery date are only regarded as having been received on the agreed delivery date.
- 6.2 Insofar as down-payments are exceptionally agreed, they shall only be made per bank guarantee according to the conditions of the Customer.
- 6.3 If not otherwise agreed, payment shall be made – subject to the conditions in 6.1 – within 14 days with 3 % discount or within 30 days net. Payment for delivery items that the Supplier has to install or mount, and that the Customer has to accept after readiness to operate – subject to the conditions in 6.1 – is due 30 days after acceptance.
- 6.4 Payment shall be made by bank transfer or cheque.
- 6.5 The Supplier is only entitled to assign his claims to third party if the Customer has given his written consent.
- 6.6 The Customer is also entitled to offset demands that a company to which he holds a 50 % interest is entitled to.
- 6.7 Every invoice must indicate the LEIBER-supplier no. and order no. The invoice shall be issued within the meaning of § 11 of the German Turnover Tax Law.

7. WARRANTIES/RIGHTS IN THE EVENT OF DEFECTS

- 7.1 The warranty responsibility of the Supplier commences at the time of acceptance of the delivery item by the Customer.
- 7.2 If not otherwise agreed, the warranty responsibility shall comply with the legal provisions. The Customer, however, in the first instance is entitled to demand reworking of delivery items or delivery of conforming delivery items free of charge.
- 7.3 The notice of defects made by the Customer interrupts the period of warranty in respect of the defective part of the delivery. After its repair/exchange, the period of warranty recommences.
- 7.4 The period of warranty applies irrespective of the duration of use of the delivery item.
- 7.5 The Supplier is liable even within the scope of his warranty, if he himself is not the manufacturer of the delivery item or parts thereof.
- 7.6 The Customer is entitled, to undertake elimination of defects himself or to have them eliminated by third party, if they may not suffer delay.

8. INDUSTRIAL PROPERTY RIGHTS

- 8.1 The Supplier is liable for claims that arise from the violation of industrial property rights and registration of such rights pertaining to the use of the delivery items according to contract.
- 8.2 The Supplier exempts the Customer from all claims arising from the use of such industrial property rights insofar as the Supplier has not manufactured the delivery item according to the prescribed descriptions of the Customer and he was not aware during the development of these delivery items, that industrial property rights are violated. A further right to claim to damages remains unaffected.
- 8.3 At the request of the Customer, the Supplier shall name all the industrial property rights that he is aware of or that becomes aware of that he uses in conjunction with the delivery items that he shall deliver or that he has delivered.

9. PRODUCTION EQUIPMENT

- 9.1 Production equipment, e.g. die inserts, gauges, matrixes, patterns, samples, tools, drawings and equivalent that the Customer has placed at the disposal of the Supplier, shall be returned to the Customer on request.
- 9.2 Production equipment entrusted to the Supplier or production equipment manufactured according to information provided by the Customer shall be neither copied, sold, given in security, pledged or otherwise passed on, nor used for third party in any form without his explicit consent. The same applies to delivery items manufactured with the aid of this production equipment.

10. CONFIDENTIALITY/ADVERTISEMENT

- 10.1 The Supplier undertakes to treat all non-apparent, commercial and technical details that he becomes aware of through the business relationship as a trade secret.
- 10.2 Drawings, patterns, templates, samples and similar objects shall not be handed over nor made accessible to unauthorized third party. Duplication of such objects is only permissible in the course of in-house requirements and the copyright provisions. Sub-suppliers shall be committed accordingly. The Supplier may only advertise with his business relationship if the Customer has given his prior written consent.

11. GENERAL PROVISIONS

- 11.1 The Supplier shall label the delivery items in the manner prescribed by the Customer.
- 11.2 The law of the Federal Republic of Germany applies exclusively, excluding the UN Contract of Sale.
- 11.3 For general merchants, the place of jurisdiction is Emmingen. However, the Customer is entitled to claim for damages at the place of jurisdiction of the Supplier.
- 11.4 Should a provision contained in these conditions and further agreements that are made be or become ineffective, the validity of the contract shall not be affected. The contractual partners undertake to replace the ineffective provision to a degree that can be reasonably expected by a provision that comes closest to the economical success intended by the parties.

The Company

confirms herewith, that it acknowledges the Conditions of Purchase, as per February 2011 of LEIBER Group GmbH & Co. KG, Emmingen.

Place, Date

Supplier (Stamp, Signature)

Place, Date

LEIBER Group GmbH & Co. KG