

**General Terms of Payment and Delivery
of LISI AUTOMOTIVE
KNIPPING ESPAÑA S.A. (KESA)**

Range of Applicability

1. The following General Terms of Payment and Delivery shall apply to all professionals as well as corporate bodies under public law and special funds under public law by contracting with Lisi Automotive Knipping España (called “KESA”).

KESA’s deliveries and services are provided exclusively on the basis of the terms and conditions below.

Any terms and conditions of the other party not expressly acknowledged by KESA in writing shall not apply.

General Terms and Conditions

2. Full details of any verbal agreements will be immediately confirmed in writing by the contracting parties.
3. Any orders sent by the customer will not be binding unless they are confirmed by KESA in writing.
4. Information and illustrations contained in brochures and catalogues are, in accordance with usual trade practice, regarded as approximations unless they have been expressly described by KESA as binding.

Long-Term and Call-Off Orders, Price Adjustment

5. Unlimited contracts may be terminated by six (6) months’ notice.
6. In the event that any essential modification of labour costs, cost of materials or energy occurs with regard to long term contracts (contracts with a term of more than 12 months and unlimited contracts), each contracting party shall be entitled to demand negotiations on an appropriate adjustment of prices in consideration of these factors.
7. Where a binding order quantity is not agreed, KESA’s calculation will be based on the non-binding order quantity expected by the customer for a specific period of time (target quantity).
8. In the case of call-off orders, the customer has to inform KESA by call-off of any binding quantities at least three (3) months before the delivery date, unless otherwise agreed.

Any extra cost due to late call-off or subsequent modifications of the call with regard to time or quantity by the other party shall be charged to the latter, with KESA’s calculation prevailing in this respect.

Confidentiality

9. Each party to the contract agrees to use any documents (including samples, models and data) and knowledge obtained through the business relationship only for the purposes pursued jointly by both parties and not to disclose such documents and knowledge vis-à-vis third parties by applying the same care as would be given to any comparable own documents and knowledge if the other party to the contract declares such material to be confidential or takes an obvious interest in keeping the material secret.
10. The obligation does not apply to documents and information which are generally known, or which were already known to the contracting partner on receipt and where the contracting partner was not under obligation of secrecy, or where they are subsequently conveyed by a third party who is authorised to pass on such documents or information, or where the documents or information are developed by the receiving contract partner without exploitation of documents or information of the other party.

Designs and Descriptions

11. In the event that any of the parties to the contract provides the other party with designs or technical documents with regard to the goods to be delivered or their production, such material shall remain the property of the providing party.

Samples and Manufacturing Equipment

12. Unless otherwise agreed, the manufacturing costs of samples and manufacturing equipment (tools, moulds, templates, etc.) shall be invoiced separately from the goods to be delivered. This shall also apply to any manufacturing equipment to be replaced because of wear and tear.
The ownership of manufacturing equipment will remain KESA's one; the customer will only participate in manufacturing cost.
13. The cost of maintenance and proper storage as well as the risk of any damage to or destruction of manufacturing equipment shall be borne by KESA.
14. Where, during the period of manufacture of samples or manufacturing equipment, the customer abandons or terminates the co-operation, all manufacturing costs incurred up to that time will be borne by that party.
15. In case the customer is the legal owner of the tool/manufacturing equipment, manufacturing equipment shall remain in KESA's possession at least until completion of the delivery order. Following this, the customer shall be entitled to reclaim the manufacturing equipment if a mutual and writing agreement on the date of return has been reached and the customer has fulfilled its contractual obligations in full.
16. KESA shall keep the manufacturing equipment free of charge for a period of three (3) years following the last delivery to the customer. After this date, KESA will request the customer in writing to comment on the further use of the manufacturing equipment within six (6) weeks. KESA's obligation to keep the manufacturing equipment shall end if no instructions are received within such a period of six (6) weeks or if no further

order is placed. After expiration of aforementioned period, KESA shall be legal owners of the manufacturing equipment.

17. Any customer-specific manufacturing equipment may only be used for supplying third parties with the prior written consent of the customer.

Price

18. Unless otherwise agreed in writing KESA prices are quoted in Euro and are exclusive of taxes, duties, charges, packing, freight, carriage and insurance or any other costs that has not been included in the offer sent by KESA.

Terms of Payment

19. Invoices shall be due for payment within 30 days from the date of invoice.
20. Where KESA has indisputably supplied goods which are partly defective, the customer is nevertheless obliged to pay for the non-defective part, unless partial delivery is of no use to him. In other respects the customer may only set off payment against counter-claims which have been determined by final judgement or are not disputed.
21. If the period allowed for payment should be exceeded, KESA shall be entitled to charge interest on arrears in the amount of the rate KESA is charged by the bank for advances on current account, however, no less than a default interest of eight (8) percentage points above the respective base rate of the European Central Bank.
22. In the event of any delay in payment KESA may, after giving notice in writing to the other party, suspend our obligations until payments have been received.
23. Bills of exchange and cheques will only be accepted where this has been agreed, and only on account of performance and on condition that they may be discounted. Discount charges will be calculated from the due date for payment of the invoice amount. A guarantee for presentation of bills of exchange and cheques at the due and proper time and for the lodging of a protest is excluded.
24. If it becomes apparent after conclusion of the contract that KESA claim to payment is at risk owing to the customer's lack of adequate financial capacity, KESA shall be able to refuse performance and to set the customer a reasonable deadline within which it must make payment or provide security concurrently with delivery. If the customer refuses to do so or the deadline expires without result, KESA shall be entitled to withdraw from the contract and demand damages.

Delivery

- 24a. KESA is committed to deliver the goods as fast as possible at any given time. However, unless otherwise expressly agreed in writing, KESA do not commit to firm delivery deadlines. In the event that a firm delivery deadline has been agreed upon and the delivery is delayed, the customer has to grant us a reasonable grace period for delivery.

KESA's performance of the contract is subject to the condition of KESA's own complete and timely supply.

25. Unless otherwise agreed upon in writing, KESA shall deliver "ex works / EXW Fuenlabrada, Spain; according to "Inco-terms 2000". KESA's notice of readiness for dispatch or collection shall be decisive for whether the delivery date or the period of delivery is met.
26. The minimum delivery lead-time will be 12 (twelve) weeks from contract formalisation and agreement on these General Terms of Payment & Delivery. The customer will commit to send KESA a writing planning with forecast deliveries for a period of 12 (twelve) weeks. The customer will be entitled to update the planning with a monthly periodicity maximum. The planning of the first 4 (four) weeks will be considered as "firm" (the quantity will not be allowed to be changed) and the 8 weeks left will be considered as forecast quantities and could be modified by 20% (+ / -).

In case a firm period of delivery has been agreed upon, this period shall commence with the posting of KESA's order confirmation, however not earlier than the latest of the following events, if applicable:

- Supply by the customer of the material, tools, machines, specimen and/or data necessary to carry out the order;
- Performance by the customer of its obligations due before delivery (e.g. down payment, advance payment).

The period of delivery is reasonably extended as appropriate where the provisions of section 55 below apply.

27. Partial deliveries are permitted within reason. They will be invoiced separately.
28. Production-related long or short deliveries are permitted within a tolerance of 10 per cent of the total order quantity. The total price will be adjusted accordingly.

Shipment and Passage of Risk

29. Goods which are notified as being ready for dispatch are to be taken over immediately by the customer. KESA is otherwise entitled, at its option, to dispatch them or to store them at the cost and risk of the customer. In the event that the customer is in delay in taking delivery or violates any other cooperation duty, KESA shall be entitled to request damages, including any possible additional expenses.
30. In the absence of a special agreement, KESA shall select the means of transport and routing.
31. The risk is transferred to the customer as soon as KESA notifies the other party goods are ready for dispatch, on handover to the railway, forwarding agent or freight carrier, or on commencement of storage, but in any case not later than departure from the factory or warehouse; this also applies if KESA has undertaken delivery.

Delay in Delivery

32. In the event that it is foreseeable that the goods cannot be delivered within the period of delivery, KESA shall inform the customer immediately in writing, giving the reasons and, if possible, the expected delivery date.
33. In the event of delivery being delayed by one of the circumstances as set forth in Article 55 below, or as a result of any action or omission on the part of the customer, an extension of the delivery period will be granted appropriate to the circumstances.
34. In case of late delivery, the customer shall only be entitled to cancel the contract if KESA is answerable for the delay and after having allowed us a reasonable period of grace without result.

Reservation of Title

35. Title of ownership of the goods shall not pass to the customer until such time as the customer has fulfilled all obligations from the business relation with KESA, including subsidiary claims, claims for damages and the honouring of cheques and bills of exchange. The right of ownership shall continue to be reserved if some of KESA's claims are added to a running account and the balance has been struck and approved.

The customer shall duly keep the reserved goods on KESA's behalf, maintain and repair them at its own expense, as well as insure the goods against loss and damage at its own expense according to custom and practice. The customer hereby assigns to KESA his future claims for damages against the insurance company.

36. The customer shall be entitled to sell such reserved goods in the ordinary course of business as long as it meets its obligations under the business relationship in due time and no insolvency proceedings have been filed for its assets. However, the customer must not pledge, pawn or otherwise offer as security the goods under reservation of title. In the event of sale to a third party, the customer must make transfer of title dependent on full payment of the goods by his customers. The customer shall to secure the rights of KESA upon any credited sale of the reserved goods.
37. KESA is entitled to claim restitution of the goods under reservation of title without the setting of a period of grace and without cancellation the contract if the customer is in default on fulfilment of its obligations or if insolvency proceedings have been filed for its assets. Claim of restitution of reserved goods shall only constitute a cancellation of contract if so declared expressly in writing by KESA. In case of cancellation of the contract, KESA is entitled to claim adequate compensation for the period of relinquishment of the reserved goods.
38. The customer hereby assigns to KESA in advance all claims against third parties arising from any resale or rental of reserved goods which may have been allowed by KESA, as well as all subsidiary rights and security rights including cheques and bills of exchange, as a security for all KESA's claims against the customer arising from the contractual relationship. If reserved goods are sold together with other items for an overall price, the assignment shall be limited to the ratio amount of the invoice value of the reserved goods included in the resale.

As long as the customer fulfils its payment obligations on time, KESA authorizes it to collect the claims from resale or rental to third parties. However, the customer shall not be entitled to pledge or assign these claims.

39. Any possible processing or modification of the reserved goods by the customer is deemed having been performed on behalf of KESA, without, however, acquiring any claims whatsoever against KESA as a result of the processing or modification. Or reservation of title shall extend to the products resulting from the processing. If the reserved goods are processed together or inseparably mixed with other goods being the property of third parties, KESA will acquire joint ownership of the resulting objects at the ratio of the invoice value of the reserved goods to the other processed or mixed goods. If the processing or mixing is done with goods owned by the customer, the customer hereby assigns to KESA in advance the property rights of the resulting object.
40. If the enforcement of KESA claims seems at risk, the other party shall immediately inform KESA about any claim; seizure of property or realized execution by third parties against goods under reservation of title and, provides KESA all necessary information and documentation to enforce its claims.
41. If the value of the existing securities exceeds the secured claims in total by more than 20 per cent, KESA undertakes, at the other parties's request, to release securities of KESA's choice in this respect.

Warranty

42. The quality of the goods is determined exclusively by the agreed technical supply specifications. In the event of KESA has to supply in accordance with drawings, specifications, samples and the like provided by the customer , this one will be responsible of material use suitability. The condition of the goods in accordance with the contract is determined as at the time of transfer of risk in accordance with Article 31 above.
- 42a. KESA's goods comply with the legal regulations as applicable in the European Union and the Spanish Kingdom , e.g. the Regulation (EC) No. 1907/2006 concerning registration, evaluation, authorization and restriction of substances and chemical synthesis (REACH), return and environmentally sound disposal of electrical and electronic equipment (Electronic Equipment Act) as the national implementation of the Directive (EC) No 2002/95 (RoHS) and the Directive (EC) 2002/96 (WEEE) and the End-of-life Vehicles Act as national implementation of the Directive (EC) No 2000/52.

KESA shall inform the customer about relevant changes in the product in particular due to the REACH regulation, its supply availability, use or quality and shall in individual cases agree with the customer on suitable measures to be taken.

43. KESA shall not assume responsibility for any defects caused by inappropriate or improper use, incorrect installation or commissioning by the customer or third parties, normal wear, faulty or negligent treatment or for the consequences of any improper modifications or maintenance work performed by the customer or third parties without KESA's consent. Furthermore, KESA shall not assume responsibility for defects causing only an insignificant depreciation of value or suitability of the delivered goods.

44. The warranty period shall be twelve (12) months from passage of risk. This period shall be a period of limitation and shall also apply to claims for consequential damages defaults, independently from origin, nature or cause.
This shall not apply if mandatory laws require longer periods of limitation, notably in case of defects of a building or materials which are usually used for building causing the defect of a building.
45. Where it is agreed that the goods are to be accepted after completion or that initial samples are to be tested, notification of defects which could have been discovered by the customer under careful acceptance or testing of initial samples is excluded.
46. KESA must be given the opportunity of assessing the notified defect. The goods complained of must be returned to KESA immediately; KESA will take over the transport costs where the notice of defect is justified. In the event of the customer failing to observe these obligations, or carrying out modifications of the goods which are complained of without KESA's consent, it will lose any claims for material defects.
47. In the event that the complaint is justified and lodged within the time limit, KESA shall rectify the rejected item or provide faultless substitute delivery at KESA's own choice. In the case of bulk supply, the customer shall at short notice provide KESA with the opportunity to sort the defective items out.
48. In the event of KESA failing to meet its warranty obligations, or failing to do so within a reasonable time in accordance with the terms of the contract, the customer may set in writing a final deadline within which KESA must fulfil its obligations. In the event of this period expiring without result, the customer may demand reduction of the price, withdraw from the contract or himself carry out, or have the necessary subsequent improvement carried out by a third party at KESA's cost and risk. If such rectification has successfully been effected by the customer or any third party, any claims of the customer shall be deemed settled by reimbursement of the necessary costs incurred by it.
49. Recourse claims against KESA shall only exist to the extent that the customer has not made any agreements with its purchaser which go beyond the statutory claims for defects. In addition, section 48, last sentence, applies accordingly to the scope of the rights of recourse.

Other Claims, Limitation of Liability

50. Unless otherwise specified below, any additional or more extensive claims by the customer against KESA are excluded. This shall apply in particular to claims for damages for a breach of duties arising from the obligation or from unlawful acts. KESA is therefore not liable for any damage not deriving from the delivered goods themselves. KESA is in particular not liable for any loss of profit or other financial losses by the customer.
51. The aforesaid limitations of liability shall not apply in the case of intent, gross negligence of KESA's legal representatives or executive employees and in the case of culpable breach of any material contractual duties. In the case of culpable breach of material contractual duties KESA shall be liable - except for any cases of wilfulness or

gross negligence on the part of KESA's legal representatives or executive employees – only for any damage that could reasonably be expected, at the time of the conclusion of contract, to occur during the execution of the contract.

52. In addition to the above, the limitation of liability shall not apply in any cases of defects in the delivered goods with liability for personal injury or damage to items used privately being subject to product liability law. Neither shall the limitation apply to the lack of any warranted qualities if and in so far as the particular purpose of such assurance has been to protect the other party against any damage not originating in the delivered goods themselves.
53. In so far as KESA liability is excluded or limited, this shall also apply to any personal liability of its salaried employees, wage earners, assistants, legal representatives and vicarious agents, trainers.
54. The aforesaid shall not affect any legal arrangements with regard to the burden of proof.

Force Majeure

55. Force majeure, labour disputes, riots, official measures, the non-delivery of supplies by KESA's suppliers and any other unforeseeable, inevitable and serious events shall release the parties to the contract from their duties to perform for the duration of such events and to the extent of their impact. This shall also apply if such events occur at a point in time when the party concerned is in default. The parties to the contract shall within the scope of what is reasonable be obligated to provide the required information immediately and adjust their obligations to the changed circumstances in good faith.

Place of Performance, Jurisdiction and Applicable Law

56. The contract and all questions that might be issued by the parties will follow Spanish law that both parts agree to be submitted to.
57. Customer shall ensure that its business practices are in accordance with all applicable laws, directives and regulations, particularly with, but not limited to, anti-corruption and corporate duty of vigilance.
58. Unless provided otherwise in the acknowledgment of order, the place of performance is KE SA's principal place of business. Both parties agree they will go to the courts "Juzgados y Tribunales" in Madrid and Madrid shall be the exclusive place of jurisdiction for all legal disputes, discrepancy, question or reclamation about execution or interpretation about the general terms.
59. The application of the United Nation Agreement about Contract for international goods sales (11/4/1980 – CISG) is expressly excluded.