

GENERAL SELLING, SERVICE, DELIVERY AND PAYMENT CONDITIONS (“GSC”)
of R+S Automotive USA LLC, Comstock Park, Michigan, USA
(11 August 2017)

1. General Provisions

These General Selling, Service, Delivery and Payment Conditions (“GSC”) of R+S Automotive USA LLC, Comstock Park, Michigan, USA (hereinafter referred to as “R+S”) exclusively apply to all quotations, orders, contracts, supplies and other performances. The terms “delivery” or “supply” in these GSC include any kinds and forms of sales, trades, supplies and services. Deviating, contrary or additional conditions of customers are rejected, except where expressly agreed by us in writing. It shall not be necessary for us to expressly reject contrary, deviating or additional terms and conditions of the customer in each instance, and these GSC shall exclusively apply to all course of dealings and transactions. These GSC apply to all future business with the customer even without express reference to these GSC.

2. Offers, Formation of Contract and Documents

- 2.1.** Our offers or quotes are always subject to these GSC but are not legally binding on us unless expressly stated. Any contract for delivery is formed and valid only upon our written acceptance of customer's oral or written order. Written form shall also be observed by email, facsimile and EDI (electronic data interchange). Alternatively, our delivery of products will also be deemed as confirmation of the order. In all cases, our acceptance is based solely on these GSCs, and if the order limits the terms to the customer's own terms, our acceptance shall be deemed a counteroffer that shall be deemed agreed by customer by receipt and acceptance of our delivery.
- 2.2.** We have the right to accept orders, in writing or by delivery, within three (3) weeks beginning from our receipt of the order.
- 2.3.** Any oral agreements have to be confirmed by us in writing in order to become legally valid.
- 2.4.** Dimensions, weights, illustrations, descriptions and other details as given in our catalogues, brochures, price lists or cost estimates and other documents, as well as information and explanation on material and durability are not guaranties and are informational only unless we have expressly separately agreed to in writing that they become part of the contract.
- 2.5.** We retain sole ownership and copyright in cost estimates, drawings, plans and other documents and information of tangible and intangible nature, including in electronic form; any such documents and information may only be made available to third parties with our prior written agreement.
- 2.8.** The customer assumes full responsibility for the tasks incumbent on him and documentation to be provided by him such as drawings, models, gauges, samples and suchlike.

3. Deliveries, Time of Delivery

- 3.1.** Delivery periods and delivery dates only become binding by an express written agreement. Our acceptance of an order with a shipping date specified in an order does not bind us to that shipping date, and we may fulfill an order in multiple shipments.
- 3.2.** Our delivery obligation is conditional upon the customer's timely and proper implementation of its obligations. If the customer is to perform tasks or provide documentation or property such as but not

limited to drawings, models, gauges and samples, the customer must timely and accurately perform those tasks and provide that documentation and property. We are entitled to rely on all of customer's provided documentation and property, and we are not responsible for errors by the customer. We shall be entitled to reimbursement for any damages and/or additional expenses we incur for delays or errors by the customer.

- 3.3.** The adherence to the delivery periods assumes that the customer has performed all acts of cooperation within the acceptance period and all open issues for the execution of the order are clarified.
- 3.4.** Modifications requested by the customer after our acceptance of an order are subject to our acceptance and customer's agreement to any cost increases resulting from the modification. Modifications will extend the delivery date for the period of time required to implement the requested modifications.
- 3.5.** Deadlines or delivery dates for deliveries "ex works" are fulfilled when the customer has been notified that the deliverables are selected and ready for shipment within the agreed deadline or agreed date. If delivery is other than "ex works," our delivery deadlines and delivery dates are still considered fulfilled if the deliverables have been forwarded to the carrier or were ready for shipment prior to the deadline but could not be delivered through no fault of our own.
- 3.6.** In the event the customer falls into arrears in accepting delivery or violates any other cooperation duty, we shall be entitled to give preference to other third party orders and reasonably extend the delivery period. Irrespective of any further claims, we shall be entitled to claim any damages and/or additional expenses we incur in this regard.
- 3.7.** If the delivery or collecting of the deliveries is delayed at the request of the customer or due to circumstances that are the responsibility of the customer, we are entitled to reimbursement of our additional costs incurred, including storage costs. We are entitled to charge a lump sum payment of 0.5 % of the prices of the affected supplies for each calendar week or part thereof, beginning with the default of acceptance of the customer, up to a maximum amount equivalent to 10 % of the prices of the affected supplies. We reserve the right to reimbursement of actual higher costs incurred and to terminate an order; however, the lump sum payment will be credited against any higher costs charged.
- 3.8.** We may deliver in multiple shipments unless we and customer expressly agreed otherwise in writing.
- 3.9.** We also reserve the right to reduce deliveries by up to 10 % unless the customer has expressly stated otherwise in writing. In case of reduced deliveries the purchase price is reduced accordingly and the order shall be deemed fulfilled.
- 3.10.** In case we are not able to deliver at the agreed time due to reasons outside of our responsibility and our reasonable control (such as, but not limited to non-availability of supply, labor interruption, plant failure or interruption, acts of God or government regulation), our period of delivery will be extended. We will as soon as practicable inform the customer of a delay and of the estimated new delivery period. We may allocate existing capacity as we reasonably deem appropriate. If after two months after the initially agreed time of delivery we are still not able to deliver, either party is entitled to terminate the unfulfilled part of the order, and neither party shall be entitled to damages for the termination.

4. Default in Delivery

- 4.1. We shall be entitled to a ten day right to cure any default in delivery following notice from the customer.
- 4.2. Our liability for damages caused by default shall be limited to 5% of the purchase price for the product in question, and are also limited by Section 11.

5. Prices

- 5.1. All prices are in dollars unless otherwise agreed and the deliveries are made at the prices we have specified. Prices are “ex works” or ex the agreed dispatch location respectively and plus packaging, customs, insurance, installation and instruction costs, costs of shipment and value-added tax.
- 5.2. If costs decrease or increase, especially as a result of price changes or wage increases or adjustments or energy cost changes and such events take effect after the order is accepted, we reserve the right to charge an accordingly recalculated price at the cost in effect at the date of delivery if delivery takes place more than 4 months after the date of our acceptance. Evidence of such changes in cost will be provided upon request.

6. Payment Terms

- 6.1. Unless otherwise agreed, actual receipt of payment by us is due within 14 days as of the date of the invoice and is payable without any deductions.
- 6.2. In case of delay of payment, we are entitled to charge a late payment fee of 1% per month until receipt in full.
- 6.3. We have the right to withhold delivery on any order if the customer is in default of payment of any other order. If the customer is in default in any payments or if we have reasonable concern for the customer's ability to timely pay, we are entitled to demand assurance of payment or demand advance payment or security.
- 6.4. The customer is authorized to set off payments only on account of its undisputed or legally adjudicated claims, and only on the same order. We may offset all accounts receivable we have against the customer and companies associated with the customer against all accounts receivable which the customer has against us.

7. Packaging and Shipment

- 7.1. Packaging will be made at our discretion taking into account standard commercial practice.
- 7.2. If no mode of shipment has been agreed upon, we may determine the mode of shipment.
- 7.3. We impose a reasonable cost for non-returnable packaging. Reusable packaging means (iron-barred boxes, euro-pallets, etc.) remain our property and shall be sent back freight paid to us without delay or a charge may be imposed.
- 7.4. The customer is obliged to notify us in case of any discrepancies arising in connection with the dispatch or transportation of the deliveries (e.g. with regard to the number of items, place, packaging, transportation documents) immediately after receipt of the deliveries.

8. Scope of Delivery, Transport and Passing of Risk

- 8.1.** Unless agreed otherwise by both parties in writing, the deliveries shall be made "ex works".
- 8.2.** Title and risk shall transfer at the ex works or other agreed delivery point, regardless of any requirement of acceptance of the product by customer. However, if the customer is responsible for arranging transportation, risk of accidental deterioration or destruction of the deliveries passes to the customer two business days after once the customer has been notified that deliveries have been sorted ready for shipment. This applies even in cases where we have taken over additional services, such as loading, transport or unloading. Acceptance shall be carried out immediately on the delivery date or following notification by us as to acceptance readiness. The customer shall not be entitled to refuse acceptance if there are only an immaterial defects.

9. Security

- 9.1.** Until we have been paid in full, customer grants us a security interest in all products delivered and in all receivables and proceeds arising from the customer's sale of our products. We may file financing statements evidencing our interest.
- 9.2.** The customer shall be entitled to sell our products in the regular course of business and to collect all claims until notice from us of default. Upon notice of default from us, we may contact its customers and collect the receivables directly. In that event, the customer shall inform us of all assigned receivables and the debtors thereof, provide all details required to effect collection, hand over the necessary documents and immediately notify his debtors of the assignment. We also have all other rights of a secured creditor following debtor default under the Alabama Uniform Commercial Code.
- 9.3.** The customer shall insure products sold by us against loss or damage resulting from loss, damage, theft, fire, water or similar cases at his expense and to our benefit, and must provide proof of such insurances upon request.
- 9.4.** We are authorized to assign the claims for payment (receivables) against the customer to third parties.

10. Claims arising from Defects and Shipment Nonconformity

10.1. Notification of Defects and Warranties

10.1.1. An obvious defect (obvious defects are defects, which are recognizable by an examination) or incompleteness of the deliveries have to be communicated to us in writing immediately, at the latest within one (1) week after receipt of the deliveries, exactly specifying the defect (or shortage) in detail and quoting the invoice number. Latent defects of quality must be objected in writing without undue delay, at the latest within one (1) week after their discovery. The customer has to inform us within the aforementioned period about the defect and the invoice number. The deliveries claimed to be defective have to be returned to us if so requested by us, so that we are able to check the objected defect. If there is a defect, we will refund the shipping costs. All claims of the customer due to defectiveness or incompleteness are expressly excluded if he does not properly meet these duties. If an inspection of deliveries was agreed and carried out, claims involving defects which could have been detected during inspection are excluded.

10.1.2. We warrant to our direct customer only that the products sold will be free from defects in

materials and workmanship for one (1) year after delivery, and claims may be made solely for products paid for in full and within the warranty period. This warranty is made in lieu of any other express or implied warranties, including but not limited to the implied warranties of merchantability or fitness for a particular purpose. The suitability and application risk is the sole responsibility of the customer. Our warranty is conditional upon adherence to any technical conditions as specified in the documentation. The customer shall impose these and any other restrictions of use stipulated by us to subsequent customers. Our warranty excluded damage or failure of performance from unsuitable or improper use, defective assembly or commissioning by the customer or third parties, natural wear and tear, defective or negligent treatment, improper maintenance, unsuitable operating media and external influences not foreseen in the contract, to the extent that they are not the responsibility of us. We do not assume liability for defects resulting from the installation conditions or improper operation or maintenance.

- 10.1.3. If we have sold products that are used and not new, warranty claims are excluded completely unless otherwise agreed expressly in writing.
- 10.1.4. In case of a defect covered by our warranty, we shall, at our discretion, either repair or replace the delivery (repair or replacement delivery, hereinafter together: “post-performance”), with shipping paid by us. This is our sole obligation and the customer's sole remedy on account of any warranted defect. We are not liable for any indirect, incidental, consequential or punitive damages. We are not responsible for any other compensation, including amounts recompensed to our customer's own customer.
- 10.1.5. In order for us to undertake all the work for post-performance deemed necessary by us, the customer must give us the necessary time and opportunity to remedy after consultation with us. If it fails to do so, we are released of liability for the consequences arising. We may consent to the customer rectifying a warranted defect itself or have it rectified by third parties and to pay for the necessary costs of repair in the event of urgent cases when operational safety is at risk or in order to prevent disproportionate large damage. We shall be informed immediately in such an event. Otherwise, changes or reworking of our product by the customer or a third party voids our warranty and, we shall not be liable for any consequences arising therefrom.
- 10.1.6. Our post-performance, no matter in what form, shall under no circumstances be interpreted as agreement to a customer's claim.

10.2. Intellectual Property

- 10.2.1. If we determine that the use of our product or service may infringe any third party industrial property rights or copyrights existing at the time of our sale, we may, at our cost, acquire for the customer the right to further use of the delivery item, service or product or we may modify it in an acceptable manner for the customer such that the breach of property rights no longer exists. If this is not commercially reasonable, we will accept return of the product and refund the price, as our full liability for infringement. We are not responsible if the infringement arises from our following an instruction from the customer, the customer has modified our product, use by the customer or combination with other products or in conflict with our contract or the customer is otherwise responsible for the infringement of an industrial property right.
- 10.2.2. Our undertakings in Section 10.2.1 are limited by Section 11. Our obligations are conditional upon (a) the customer immediately notifying us of asserted breaches of industrial

property rights or copyrights, (b) the customer supports us to the appropriate extent in the defense against asserted claims and/or enables us to carry out the modification measures in accordance with Section 10.2.1, (c) we retain the right to control the defense, including out-of-court settlements.

11. Limits of Liability

11.1. In no event shall we be liable in connection with the business relationship or any sale of products for incidental, indirect, consequential or punitive damages. In the case of sale of products, our liability will not exceed the amount paid by the customer for the product.

11.2. In the event that we determine a need for, or the government orders, a recall of our products, the customer will cooperate and we will reimburse the reasonable out of pocket costs incurred by the customer.

12. Statute of Limitations

Any actions in connection with our business relationship or the sale of our products must be filed within twelve months from accrual of the cause of action.

13. Investments

If, due to serial supply contracts, we make investments based on purchase quantity forecasts presented to us for the serial production run, and if those investments will not be reimbursed to us by customer, then we shall be entitled to claim compensation amounting to the difference between the investments made and the amortization thereof if the purchase quantities forecast on conclusion of the contract have not been achieved in full by the end of production.

14. Ownership of Tools and other Production and auxiliary Equipment

14.1 Insofar customer is obliged to pay the tools and/or other production and auxiliary equipment required to manufacture the products, the ownership of these tools and/or other production and auxiliary equipment is not transferred to customer until payment has been received in full, insofar as a transfer of ownership to customer has been agreed. Should amortization of the product or part price have been agreed, the transfer of ownership, insofar as such transfer has been agreed, occurs when the amortization has been taken place completely.

14.2 Any obligation by us to maintain, service and/or repair the tools and/or other production and auxiliary equipment, ends at the latest with reaching the lifetime of the tools and/or other production and auxiliary equipment. The Lifetime of a tools and/or other production and auxiliary equipment is reached in particular when the agreed load changes have been made, or when the costs and expenses for a maintaining, servicing and/or repair measures exceed the manufacturing costs of the tool and/or other production and auxiliary equipment by more than 50 %.

14.3 In case customer obtained ownership of the tools and/or other production and auxiliary equipment, he is not entitled to demand the restitution as far as the respective contract has not been validly terminated.

15. Software

If and insofar as software is included in the scope of delivery, the customer shall be granted the non-exclusive right to use the supplied software including its documentation. It is provided for use on its intended delivery item. The software may not be used on more than one delivery item. The customer may only copy, rework or translate the software or translate its object code into source code within the legally permissible scope. The customer undertakes not to remove producer information - particularly copyright marks - or to change them without our previous express agreement. All other rights in the software and documentation, including copies, shall remain with us and/or the software supplier. Sublicenses may not be granted by the customer to third parties.

16. Termination

- 16.1.** We shall have the mutual benefit of all the customer's rights to terminate a serial supply contract and any and all such rights shall therefore apply equally to the benefit of us as to the customer, irrespective of the legal reason.
- 16.2.** In serial supply contracts we are entitled to reject any and all orders and shall not be obliged to deliver products, if the customer is not obliged to purchase at least 75 % of the requested product quantity during the series production run (from SOP to EOP without spare part business).
- 16.3.** To the extent the customer is entitled or otherwise permitted to either produce the products supplied by us by itself or in conjunction with any other third party or to purchase the products from any company, supplier or third party other than us, we shall be entitled to terminate the serial supply contract with immediate effect upon 4 weeks' notice to the customer.

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

- 17.1.** Unless expressly otherwise agreed, the principle place of business of the respectively supplying R+S shall be deemed as the place of performance.
- 17.2.** The formation, existence, construction, performance, validity in all aspects of a contract for sale and purchase shall be governed by the substantive laws of the state of Michigan, excluding principles of conflicts of laws and also excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG). The state and federal courts having jurisdiction over matters arising in Grand Rapids, Michigan, shall have exclusive jurisdiction over all disputes arising out of or in connection with the contractual relationship.
- 17.3.** The invalidity of any provision of these GSC shall not affect the validity of its other provisions.