

CONDITIONS OF PURCHASE FOR INSTALLATIONS, MACHINERY AND EQUIPMENT OF PRO-X AUTOMOTIVE AG

in relation to the contract signed on _____

between

PRO-X AUTOMOTIVE AG, Worbstrasse 50, CH-3074 Muri bei Bern

and

1. Placement of Orders and Applicability of the Conditions of Purchase

Orders will only be valid if placed in writing by PRO-X AUTOMOTIVE and properly signed.

Other conditions of sale imposed by the supplier become void upon acceptance of this order. Partially or wholly deviating conditions of the supplier contained within offers or order confirmations shall not be valid unless expressly confirmed by PRO-X AUTOMOTIVE in writing. The order copy must be duly signed and returned by the supplier.

2. Delivery

The place of performance for delivery is the consignee's address cited in the order. The place of payment is Muri, near Berne. One delivery note shall be sent to the consignee and another to PRO-X AUTOMOTIVE. The order number must appear on the delivery note. All invoices shall quote the PRO-X AUTOMOTIVE order number and are to be issued and submitted in triplicate to PRO-X AUTOMOTIVE AG, Worbstrasse 50, CH-3074 Muri, near Berne.

Upon acceptance of the order the supplier shall be obliged to facilitate examination by customs authorities of all documentary evidence of origin and suppliers' declarations and shall provide any related information required as well as any necessary official certification (information sheets). With respect to EU suppliers: delivery of goods originating in the EU – evidence of origin shall be provided via submission of a suppliers' declaration in accordance with EU Regulation 1207/2001 from 11.06.2001. With respect to suppliers from preferential countries: delivery of preferential goods with movement certificate EUR.1 and declaration of origin cited on the delivery note. The supplier shall further be obliged to compensate PRO-X AUTOMOTIVE for any damage resulting from a refusal by the responsible authorities to recognise the declared origin.

Delivery dates agreed in the order form an essential element of the contract, with no extension of time. Upon exceeding the delivery date, date of putting into operation or date of final acceptance a penalty of 0.5% of the net order value will be imposed upon the supplier for each week commenced, up to a maximum of 10%, and shall be deducted from the invoice value or the supplier's credit balance. The penalty for non-compliance may be demanded besides performance of contract, whereby, in all cases, the supplier shall be obliged to compensate for damage occurring beyond the value of the penalty, insofar as the said supplier fails to provide evidence establishing that delay in delivery occurred through no fault of its own. Wheresoever delay in delivery becomes imminent, the supplier shall notify PRO-X AUTOMOTIVE immediately of the delay and of any measures undertaken.

Acceptance of belated performance shall not waive the right to assert claims for compensation or penalties.

Independent of any agreed INCOTERMS, risk shall transfer to the consignee upon delivery or putting into operation. Goods delivered by truck shall be accepted Monday to Friday between 07.30 a.m. and 2.30 p.m.

The supplier shall obtain the necessary export documents for foreign consignments well in advance, including any export permits required.

3. Acceptance

Provisional acceptance of delivery items shall only take place where expressly agreed in the order. Such action shall take place at the manufacturer's plant and shall be deemed effective upon issue of a written transfer release by PRO-X AUTOMOTIVE. The transfer release shall not mean acceptance and performance of contract and shall, on no occasion, signify waiver on the part of PRO-X AUTOMOTIVE to enforce its rights, in particular those of clauses 2 and 4 of these conditions.

Where the order provides for a putting into operation, this shall occur at the place of performance and shall be concluded upon production readiness and provision of the certificate of conformity of the delivery item (generally CE certificate of conformity). Putting into operation shall, in all cases, include training and instruction to ensure that operating personnel are capable of operating the delivery item in compliance with all applicable regulations. Availability of the complete documentation in accordance with paragraph 8 shall be required at this point in time. Insofar as agreed in the order, production readiness shall be documented on record. Putting into operation shall only then count for acceptance according to law where no final acceptance under conditions of series production has been agreed.

Where the order provides for a final acceptance under conditions of series production, this shall occur at the place of performance no later than ten weeks following series production start-up. The successful final acceptance shall be the date of performance. Final acceptance shall conform to criteria defined within the contract and shall be documented through a transfer acceptance report.

Putting into operation reports and transfer acceptance reports shall not be valid without signature by the supplier and the PRO-X AUTOMOTIVE plant manager/sales office manager/departamental manager. Defects found are to be rectified without delay by the supplier at its cost. This shall in no way prejudice PRO-X AUTOMOTIVE's rights under warranty. Within two months, PRO-X AUTOMOTIVE shall be entitled to still report any obvious defects which may have been overlooked.

Where the contract does not provide for putting into operation or final acceptance, the contractually agreed date of delivery shall count as date of performance. Nonetheless, in all instances, fulfilment of contract shall not be deemed effective prior to provision of the CE certificate of conformity. Incoming inspection of goods by PRO-X AUTOMOTIVE shall be limited to an identification check and examination for transportation damage. The period for notification of defects shall then be twelve weeks from receipt of goods or detection of hidden defects.

4. Warranty/Liability

The warranty period shall be 24 months from the date of performance, however, not more than 36 months from the date of the bill of consignment. The warranty period for hidden defects shall be 5 years from the date of performance. The warranty period shall be extended by the length of any downtime resulting from related remedial work or delivery of replacement parts for the delivery item in question. Replacement parts shall again be subject to the full warranty period.

The supplier expressly warrants that the characteristics, performance and functioning of the object of the contract shall correspond to those stated in the order. The item of delivery shall also comply with the recognised technical standards. Replacement parts must remain available for a period of not less than 10 years. The supplier shall ultimately be obliged to construct the delivery item in such a way that, in all instances, it shall have a service life time of not less than 10 years from the date of performance. The supplier shall accept full liability for any sub-contractor or sub-supplier contracted by himself.

Should equipment delivered be defective, PRO-X AUTOMOTIVE may at its discretion demand replacement delivery / remedial work, price-reduction or terminate the contract; the right to claim for compensation, including for all consequential damage, remains reserved in all cases. If in the case of such a contract it becomes certain during construction work that the work is defective or will not be completed on time, then PRO-X AUTOMOTIVE shall be entitled to grant a reasonable period for improvement and, in case of default, may at its discretion terminate the contract, demand a price-reduction or engage a third party to complete the work at the contracting party's cost; whereby the right to claim compensation, including for all consequential damage, also remains reserved.

Should claims for compensation be brought against PRO-X AUTOMOTIVE due to delivery of wrong or defective goods, PRO-X AUTOMOTIVE shall be entitled to claim indemnification.

PRO-X AUTOMOTIVE shall be authorised to set off or lay a lien on property in respect of all claims, due or not yet due, which it is entitled to assert against the supplier.

The supplier indemnifies PRO-X AUTOMOTIVE for an unlimited period against all claims that rely on any statute treating of product liability and against all comparable extracontractual claims. In placing this order it is assumed that the supplier is fully insured against any risk relating to product liability. Appropriate proof of insurance cover must be shown to PRO-X AUTOMOTIVE upon request.

The supplier shall be liable that delivery items, insofar as these are not produced to drawings of the customer of PRO-X AUTOMOTIVE, do not violate on any domestic or foreign intellectual property rights.

5. Results of Labour/Design Documentation

Insofar as delivery items are produced on the basis of PRO-X AUTOMOTIVE customer drawings, data, performance, lists specifications and software, the customer of PRO-X AUTOMOTIVE shall be legally entitled to all rights pertaining to supplier developed know-how and other knowledge (results of labour), in particular the unlimited, exclusive right of use, copyright of computation documentation, drawings and software etc. Insofar as software is integrated into delivery items or is otherwise supplied with the delivery item, the supplier shall be obliged to issue all source codes to enable unlimited, exclusive use by the customer of PRO-X AUTOMOTIVE. Insofar as the results of labour or elements thereof are subject to intellectual property rights, the customer of PRO-X AUTOMOTIVE shall have sole right of entitlement to these new intellectual property rights.

Where the supplier generates design documentation etc. for delivery items, these shall be the property of the customer of PRO-X AUTOMOTIVE. They shall be handed over by the supplier upon request. PRO-X AUTOMOTIVE expressly reserves the right to forward such documentation to third parties. Suppliers shall not be entitled to use the documentation etc. without express written agreement from PRO-X AUTOMOTIVE, whereby agreement may not, however, be withheld arbitrarily.

6. Confidentiality

Suppliers shall be obliged to preserve all knowledge pertaining to manufacture or any other information acquired in connection with the performance of contract or any visit, in addition to all drawings, orders and business relations as trade secrets and shall not disclose such information to third parties in any way. Suppliers may only refer within their advertising to their business relations with PRO-X AUTOMOTIVE subject to express written authorisation from PRO-X AUTOMOTIVE.

Articles produced to PRO-X AUTOMOTIVE customer specification or drawings or articles protected by the provisions of intellectual property law may not be supplied or otherwise entrusted to third parties. Drawings, data carriers, electronic data, standard-sheets etc. shall

remain the property of the customer of PRO-X AUTOMOTIVE and must be returned upon completion of the order.

Employees entrusted by the supplier with execution of the order and, if applicable, sub-contractors or sub-suppliers shall be placed under a corresponding duty of confidentiality and instructed in provisions of criminal, competition and labour law as are applicable to their employment.

7. Conformity/Safety and Prevention of Accidents

Delivery items must comply with all statutory provisions, product regulations including applicable industrial standards such as the applicable safety and accident prevention regulations of the recipient country applicable at the place of use in accordance with the state of the art at the time of delivery. The supplier bears exclusive responsibility for obtaining and complying with all such regulations. With respect to application in the country of destination, the supplier shall advise PRO-X AUTOMOTIVE of existing and future prohibitions or application restrictions for the delivery item, operating materials of the delivery items, as well as for the delivery item itself. All load securing regulations, such as VDI 2700 Bl. 5, are to be observed. The supplier shall provide the required documents in the respective national language.

Wheresoever the recipient country is not known to the supplier, EU safety regulations shall apply.

Under no circumstances are delivery items to exceed an A-weighted, emitted sound-pressure level at the workplace (workplace-related emission value) or a measured area sound-pressure level, measured at a distance of 1m (1m measured area sound-pressure level), of 75dB(A). The right to apply more stringent statutory norms is retained.

The supplier undertakes to comply with all statutory regulations, directives and guidelines currently applicable in accordance with 1 and 2 above, in addition to all recognised technical standards such as DIN and VDE standards and any commensurate standards in force in the recipient country.

Should the presence of employees be required at the place of performance to enable fulfilment of contract, the supplier shall bear full responsibility for their actions and shall ensure compliance with any specific safety regulations applicable in such cases.

Within their organisation, contractors shall observe the requirements of an up-to-date management programme within the meaning of ISO 14001 and ISO 45001.

8. Documentation/Operating Materials and Surface Finish

The following documentation shall be made available as a minimum with delivery: operating manuals, lists of replacement and wearing parts – including prices and type specifications of

bought-in parts, analysis of dangers according to EC Directive 2006/42/CE dated 17.5.2006 relating to machinery, maintenance instructions, circuit diagrams, sectional drawings and oils/lubricants to be used with reference to generally available products. All machinery documentation such as operating manuals, list of replacement parts (with neutral specification), maintenance proposals is to be sent up front in electronic form (languages German, English, language of the country of destination – format pdf) by e-mail to operations.manual@rehau.com respectively in case of bigger data packages to another indicated solution for data transfer. Insofar as regulations pertaining to CE conformity extend beyond that stated, these are likewise to be observed by the supplier.

Suppliers shall submit a service and replacement part schedule for the delivery item two months prior to the date of performance. In all cases, the replacement part schedule must include details of the variant consignment stocks.

Current technical standards applicable to comparable objects of sale shall provide the benchmark for rust protection measures.

Colour schemes must correspond to corporate design of the customers of PRO-X AUTOMOTIVE, RAL 7035 (texture paint), whereby any paint applied must meet the requirements of the delivery item in all cases. Delivery items may not display any company names or manufacturer's logos with the exception of typeplates and screen logos.

Oils/lubricants for the initial topping up of delivery items form part of the supplier's service package.

9. Withdrawal from Contract

Aside from cases provided for by statutory / legal or contractual provisions, PRO-X AUTOMOTIVE shall be entitled to withdraw from the contract without being liable for any consequent claims for compensation in case of force majeure, such as strike, lockout, fire, explosion, natural catastrophe, epidemic, war, uprising, conscription, governmental measures etc. or upon insolvency or commencement of insolvency proceedings against any supplier.

10. Miscellaneous

Assignment of claims against PRO-X AUTOMOTIVE shall be excluded.

Within the scope of performance of contract, all suppliers shall be obliged to use REHAU products, insofar as is technically possible and such products are available competitively. Verification of such shall lie with the supplier.

11. Governing Law/Place of Jurisdiction

The contracting parties hereby agree upon Swiss law for regulation of all contractual relations between themselves, whereby they expressly exclude all provisions of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980. Swiss law shall likewise apply in respect to questions of consensus, deficiency of intention and representation, as to the agreement on the place of jurisdiction contained within paragraph 2 below.

Place of jurisdiction for all disputes arising from orders placed by PRO-X AUTOMOTIVE shall be the court in Berne exercising jurisdiction over PRO-X AUTOMOTIVE. PRO-X AUTOMOTIVE shall, however, be entitled to resort to the court exercising jurisdiction over the supplier's place of business.

Muri, _____, _____, _____

PRO-X AUTOMOTIVE AG

Company: