

AUTONEUM GENERAL TERMS AND CONDITIONS OF PURCHASE

(Edition: Mai 2014)

I. SCOPE

These General Terms and Conditions apply to all agreements, goods supplied and services performed to any company belonging to AUTONEUM. Other General Terms and Conditions of the Supplier, in particular Supplier's Terms and Conditions of Sale and Delivery shall not be applicable, even if the Supplier delivers the Goods and accepts payment by the Purchaser, or even if they are not rejected explicitly in any individual case.

II. CONCLUSION OF AGREEMENT, ORDERS, RELEASES

1 Supplier will be deemed to have accepted a Purchase Order and these Terms and Conditions when any of the following occurs: it (1) executes and returns a written acknowledgement, (2) otherwise indicates its acceptance of the Purchase Order, or (3) otherwise performs, including, without limitation, delivering and rendering any of the Goods to Purchaser that are the subject of the Purchase Order. Upon acceptance, the Purchase Order together with these Terms and Conditions, Purchaser's Supplier Development Manual as may be issued by Purchaser from time-to-time, the Purchaser's Code of Conduct (see www.autoneum.com), both have been made available to Supplier and are incorporated herein by this reference, and any other documents specifically incorporated by reference in the Purchase Order or these Terms and Conditions and the AUTONEUM Supplier Manual, which is published together with the AUTONEUM General Terms and Conditions on Purchaser's Platform (<http://www.purchasing.autoneum.com>) or separately agreed to in writing, including, without limitation, specifications, drawings, requirements of Purchaser's customer, quality requirements, releases or similar documents issued by Purchaser to Supplier (collectively, "the Contract Documents"). Contract Documents may also be validly exchanged by facsimile, electronically or by EDI. A Purchase Order may be either an open or a closed Purchase Order. A closed Purchase Order includes a specific fixed quantity of goods; an open Purchase Order does not specify a fixed quantity of Goods, which instead are specified in the Releases of the Purchaser issued pursuant to the open Purchase Order.

3 The Purchaser may demand amendments of its Purchase Order in any respect including, but not limited to quantity specifications, delivery, terms, quality and packaging. In this case the consequences, especially with respect to additional costs or reduction of costs, as well as with respect to delivery dates, are to be agreed by the Parties mutually in writing.

III. FORECASTS QUANTITIES

1 Forecast quantities set forth in the Purchase Order or otherwise communicated by the Purchaser to the Supplier are not binding including but not limited to Supplier's obligation to complete all Releases received during the term of the purchase agreement, nor do they oblige the Purchaser to purchase specific quantities during the term of the agreement. The forecast quantities will be reviewed periodically by Purchaser and adjusted if necessary.

2 Only Purchaser's orders or Releases are relevant for quantities of Goods, and also for material scheduling, capacity reservation and other advance planning. Unless otherwise expressly stated in the Purchase Order or delivery release, or otherwise explicitly agreed in writing between the parties, Supplier shall not make any commitments for raw materials or other inventory or manufacture Goods in advance of the time necessary to permit shipments on delivery dates.

3 Supplier acknowledges that any estimates or forecasts of production volumes or length of a program, whether from the Purchaser or Purchaser's customer, are subject to change from time to time, with or without notice to Supplier and shall not be binding upon the Purchaser.

IV. DELIVERY, TRANSFER OF RISK, TRANSFER OF TITLE, INSPECTION

1. Supplier shall follow the requirements specified in Autoneum's supplier logistic manual and routing instructions defined by Autoneum. In the event of non-compliance with said instructions the Supplier shall bear the excess transportation costs. For equipment's and tools, the delivery must be DDP (Incoterms 2010) or otherwise defined in the Purchase Order.

2. Supplier ensures professional and faultless packaging according to Autoneum's logistic datasheet (LDS) and guarantees to follow the marking and labeling instructions and specifications of the Purchaser. Supplier is liable for all damages as a result of inadequate or unsuitable packaging, as result of non-observance of the instructions provided in the LTS. For equipment's and tools separate instructions can be made by Autoneum.

3. Unless otherwise defined in separate agreements the Purchaser may on notice to the Supplier change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle the Supplier to a modification of the price of Goods covered by the concerned Purchase Order.

4. If the supplier is responsible for set-up or installation and unless otherwise agreed, the Supplier shall bear all the necessary incidental costs such as travel expenses, provision of tools and daily allowances, subject to of divergent applicable resolutions.

5. Time of delivery is of essence. Supplier shall deliver the Goods in the quantities and on the delivery dates and times specified in the Purchase Orders or Releases, during normal business hours. Supplier shall immediately notify the Purchaser in writing if the Supplier is unable to deliver the Goods in the quantities and on the delivery dates and times specified in the Purchase Order or delivery release and Purchaser may require a more expeditious method of transportation of the Goods as originally specified. Supplier shall ship the Goods as expeditiously as possible at Supplier's sole costs. The Seller, at its expense, shall use its best effort to mitigate any adverse effect or cost to Purchaser due to any actual or potential delay, including the implementation of a production contingency plan.

6. If any Goods are delivered beyond the agreed deadline, the Supplier is in default of delivery, without reminder. The Purchaser may choose, without limiting or affecting its other rights or remedies available at law, to waive performance or a part thereof or to withdraw from the purchase agreement and to return the Goods to Supplier at Supplier's risk and costs. In case of default, the Supplier shall compensate the Purchaser for all damages caused by delay, including, without being conclusive, handling charges, the costs for any line shutdown and for the costs of obtaining the Goods from an alternate source, where late delivery of the Goods is accepted the Purchaser is entitled to deduct, without limiting or affecting its other rights or remedies available hereunder or at law, a penalty of 1% from the price for said delivery, limited to 10 % of the price for said delivery, for each calendar week or part thereof until delivery is completed in accordance with the terms of the purchase agreement. In case of tools and equipment the penalty is increased to 3 % per week up to a maximum 15 %.

7. Notwithstanding the Purchaser withdrawing from the purchase agreement in accordance with clause IV paragraph 6, the Supplier is not released from its delivery obligations in respect of Releases that have already been issued by the Purchaser to the Supplier unless specifically cancelled by the Purchaser.

8. Unless otherwise specified in the Purchase Order ownership of the Goods is transferred at the date of acceptance of the acceptance of the Purchase Order by the Supplier. The Supplier acknowledges that the Purchaser is the sole owner of all samples, models, prototypes, Tooling produced by the Supplier for the performance of the Purchase order. No reservation of title clause proposed by the Supplier shall be effective to against the Purchaser. The Supplier will ensure that no such title reservations are asserted by its sub-suppliers.

V. PRICE AND PAYMENT

1. The delivered Goods shall be invoiced by the Supplier according to the terms of the Purchase Order.

2. Payment is due according to the terms set forth in the Purchase Order. Payment remittances shall be made by bank transfer.

3. In case of defective/nonconforming deliveries, the Purchaser shall be entitled to withhold payment pro rata to the value of the defective/nonconforming Goods until such Goods have been either replaced or repaired.

4. In the event the Purchaser withdraws from the purchase agreement due to delay or defective /nonconforming deliveries, Purchaser shall issue a debit note in the amount of the purchase price invoiced by Supplier and of the damages to be borne by the Supplier according to the purchase agreement and by law.

5. Upon receipt of payment from Purchaser, Supplier will promptly pay each subcontractor the amount to which said subcontractor is entitled, reflecting the percentage actually retained, if any, from payments to Supplier on account of subcontractor's work. Supplier will, by agreement, require each subcontractor to make payments to his sub-contractors in similar manner. Purchaser has no obligation to pay or to see to the payment of any monies to any subcontractor except as otherwise may be required by Applicable Law.

6. Without previous written consent of the Purchaser, the Supplier shall not be entitled to assign his receivables to third parties or to have such receivables collected by third parties.

VI. SETOFF

1 The Purchaser will administer on a Net Settlement Basis all the accounts of the Supplier arising from orders and other agreements the Supplier has with the Purchaser. Net Settlement Basis means that, unless prohibited by law, Purchaser may set off and recoup against Purchaser's accounts payable to the Supplier any amounts for which Purchaser determines in good faith the Supplier is liable to it under any purchase agreement or any other agreement with the Supplier.

2 Purchaser or its Related Companies may also set off and recoup against accounts payable of the Purchaser or its Related Companies to the Supplier unless prohibited by law or its Related Companies any amounts for which Purchaser or its Related Companies determines in good faith the Supplier or its Related Companies is liable to it under any purchase agreement or any other agreement with the Supplier or its Related Companies. A Related Company is any parent company of the Purchaser or the Supplier and any subsidiary or affiliate in which any of them owns or controls at least 50% of the voting stock, partnership interest or other ownership interest. The Purchaser will provide Supplier and the affected Related Company with a 10 days written notice before implementing a setoff (a) of a Related Company debt against accounts payable to the Supplier, or (b) of the Supplier's Debt against accounts payable to a Related Company of the Supplier. The written Notice will specify the basis for setoff.

3 The Purchaser will be presumed to have acted in good faith if it has a commercially reasonable basis for believing that the Supplier or one of its related Companies is liable for the amount of the debit. A debit may include charges of Purchaser's customer to Purchaser or a Related Company, professional and service fees and other costs incurred by the Purchaser or a Related Company.

VII. PRODUCT QUALITY ASSURANCE, DOCUMENTATION, BLACK AND GREY LIST AND APPLICABLE LAWS REGULATIONS AND STANDARDS.

1 Supplier warrants fulfilling the requisites of the quality standards ISO 9000 et sec. and the valid global standards and the standards TS 16949 or other relevant standards for equipment's and tools of the automotive industry as a minimum standard. Supplier further warrants that the Goods supplied conform to all laws, regulations and standards for use in the country of delivery. The goods shall comply to:

- the Purchaser's material specifications and Autoneum supplier logistic manual;
- the Purchaser's quality and logistics requirements which are specified in the Supplier manual;
- the Purchaser's black and grey list which is available in <http://www.purchasing.autoneum.com>..
- All the applicable laws, regulations and standards (environmental regulations and request, critical and hazardous material and substances, Reach (EC 1907/2006), IMDS, etc.).
- In case of equipment also CE certification is mandatory
- Purchaser's Code of Conduct

2 To the extent that any Goods delivered under a purchase agreement are to be supplied to any country of the European Union or Switzerland, Supplier must comply with the European Community Regulation REACH (EC 1907/2006), and the Goods delivered must not contain any product, material or substance prohibited by the legislations or regulations applicable in the Supplier's country, the European Union and all countries in which the products or parts are marketed and used.

3 To the extent that any Goods delivered under a purchaser agreement are to be imported into the United States of America, Supplier shall, upon Purchaser's request, comply with all applicable recommendations or requirements of the United States Bureau of Customs and Border Protection's Customs Trade Partnership against Terrorism Initiative or any successor or replacement initiative or

program. To the extent that any Goods delivered under a purchase agreement are to be imported into Canada, Supplier shall upon Purchaser's request, participate in the Canada Border Services Agency's Partners in Protection Program or any successor or replacement initiative or program.

4 Purchaser examines deliveries only for completeness in terms of quantity. It has no further inspection obligations. Supplier waives any right to require the Purchaser to conduct an inspection. Purchaser may return the Goods delivered in excess of the quantity specified in the delivery release at Supplier's expense and risk.

5 The Supplier shall respect and perform all the agreed checks in the control plan during the initial sampling (ISIR) and demonstrate at any step the compliance to Autoneum's specifications. The Supplier is obliged to maintain all the quality check records and evidence of product approval according to new requirements and to make these available to the Purchaser if requested. All these evidences must be kept for at least fifteen (15) years and presented to the Purchaser on request. The Supplier shall implement the same approach with its Sub-Suppliers.

6 Notwithstanding the foregoing, Purchaser and Purchaser's customers are entitled to inspect for whichever reason all the Goods, all orders in process and the production facilities at any time during normal business hours after reasonable prior notification including, but not being limited to review action taken in respect of quality warranties. The exercise of the inspection rights by the Purchaser and Purchaser's customers does not release the Supplier from its inspection and warranty obligations.

7 Supplier is obliged to inform Purchaser within one week when deviations or nonconformities are identified on the goods which are already delivered to Purchaser.

8 If required, Supplier shall be obliged to provide a declaration of origin for the Goods being supplied and materials contained therein or used for the manufacture thereof.

9 The Purchaser publishes changes in the "Black and Gray List" through the above mentioned platform. The Supplier shall regularly check the Purchaser's platform and shall adapt its entries within one month after changes in the "Black and Gray List".

10 If Purchaser's customers and/or the Purchaser determine a recall is necessary to remedy the nonconformity, the Purchaser will promptly notify the Supplier. The Purchaser reserves the right to determine all aspects of a recall.

VIII. PRE-ACCEPTANCE AND ACCEPTANCE

1. Scope of Work. Except as expressly stated otherwise in the purchase agreement, Supplier is responsible for (i) all labor, materials, equipment, tools and supervision necessary to perform the Contract; (ii) designing, manufacturing, assembling, constructing, building, installing the equipment (collectively, the "Equipment") and other Goods listed in the Purchase Order, (iii) conducting testing, training and warranty procedures related to the operation and maintenance of the Goods, and (iv) all labor, materials, equipment, tools and supervision necessary to perform the services specified in the Purchase Order and general specifications.

2. General. Supplier will submit to Purchaser all production, function and quality control test reports and other data as Purchaser may request from time to time concerning the Goods. Supplier grants to Purchaser the right to enter Supplier's premises at any reasonable time to make an inspection and examination of the Goods, and any component parts and the fabrications/assembly

techniques proposed or used by Supplier as Purchaser may deem appropriate. Supplier agrees to fully cooperate with Purchaser in such inspections.

3. Pre-acceptance. Upon completion of fabrication of the Goods, Supplier shall provide Purchaser notice that the Goods are ready for shipment/pre-acceptance testing. Purchaser shall have the right to inspect the Goods prior to shipment at Supplier's facility and/or at arrival at Autoneum plant ("Pre-acceptance Inspection Period"). Any defects or deficiencies discovered by Purchaser shall be promptly repaired or replaced by Supplier's at Supplier's sole cost and expense, and the Goods shall be subject to another pre-acceptance inspection or test by Purchaser.

4. Final Acceptance. All Goods ordered under the Contract shall be subject to final acceptance by Purchaser ("Final Acceptance"). Purchaser shall notify Supplier as specified in the Purchase Order to make arrangements for the final acceptance testing, which shall be designed by Purchaser to evaluate whether the Goods are in compliance with all applicable specifications and operate as contemplated in the Contract. In the event the Goods fail to operate in compliance with the Contract and/or do not meet all specifications and requirements contained in the Contract (including the applicable purchase order), Supplier shall at Supplier's own expense, immediately make such repairs or adjustments so as to render the Goods in compliance therewith and the Acceptance Test shall be repeated. Notwithstanding payment or any prior inspection, Final Acceptance will not occur until (i) Supplier has corrected all deficiencies related to the Goods identified by Purchaser, (ii) Supplier has provided all documentation in accordance with the purchase order, (iii) Supplier provides evidence to Purchaser that all of Supplier's subcontractors have been paid, including lien waivers if appropriate, and (iv) Supplier has satisfied all other requirements as are specified in the Purchase Order. In the event Final Acceptance by Purchaser is not achieved within thirty (30) days of the date Purchaser first began final acceptance testing, Supplier shall be deemed in material breach of the Contract, and Purchaser may terminate the Contract for default, and/or reject the Goods, in whole or part, in addition to any other remedies Purchaser may have at law or in equity.

5. Testing Materials. For only the first pre-acceptance test and the first final acceptance test performed, Purchaser shall be responsible for its own travel costs and the costs of providing any materials or supplies that Purchaser deems necessary in order to verify the proper operation and performance of the Goods. For all pre-acceptance and final acceptance tests performed after the first one, Supplier shall be responsible, at its sole costs and expense, for any materials or supplies that Purchaser supplies or that Supplier requests Purchaser to supply in order to verify the proper operation and performance of the Goods. In addition, Supplier shall be responsible for any and all travel expenses and other related costs incurred by Purchaser as a result of the non-compliance of the initial pre-acceptance test or final acceptance tests performed or due to any subsequent pre-acceptance and/or final acceptance testing that are performed. The pre-acceptance testing and final acceptance testing parameters shall be established by Purchaser and shall be based upon the specifications and requirements set forth in the Contract.

IX. WARRANTY

1 Supplier grants Purchaser full legal and material warranty. Goods shall be free of defects in material, workmanship and design, conform to the agreed specifications and to the latest technology. They shall be merchantable and shall be fit for their customary use as well as the particular use intended by Purchaser.

2 Purchaser shall notify Supplier with the notice of non-conformity form or otherwise by email or in writing of defects in or of the nonconformity of the Goods as soon as reasonably practicable in the ordinary course of its business within the warranty term specified in clause IX paragraph 7 and

specify the defect/nonconformity and the requested remedy as set forth in clause IX paragraph 4. The notice of nonconformity send by email shall be deemed as a binding notice of defect. The Supplier waives any right to reject delayed notifications of defects.

3 If defective Goods are delivered, and, notwithstanding the action plan agreed between the Purchaser and the Supplier according to AUTONEUM Supplier Manual or any further individual agreement, if the Purchaser determines in good faith that the remedial work cannot be done as the Purchaser has started to use the Goods or it will cause any delay in Purchaser's operation or cause the Purchaser to incur in any additional costs, the Purchaser is entitled to reject the nonconforming/defective Goods, and at Purchaser option, (i) request redelivery of conforming goods or (ii) retain them and either repair the defective Goods itself or have such work undertaken by a third party and reduce the purchase price, or (iii) withdraw from the purchase agreement. Costs for inspection, for off-lining of defective goods, costs for any line shut down, of repairing, replacing or reworking as well as transport and any customs duty, taxes, charges or other levies payable in connection with the performance of work and the transport of the defective/repared/replaced Goods shall be borne by Supplier. All further claims available at law for compensation of costs and damages shall be reserved. The Purchaser shall be entitled to charge the Supplier for administrative costs for each notification of nonconformity.

4 The Purchaser will endeavor to store rejected defective Goods. Supplier shall collect such Goods within 14 days from the notification stated above in clause IX paragraph 3. If defective Goods are not collected within this period, the Purchaser shall be entitled at its choice to return, destroy or dispose of the defective Goods. All arising costs shall be borne by the Supplier.

5 In case the Goods are repeatedly supplied in a defective condition, Purchaser may immediately withdraw from the purchase agreement with respect to Goods not yet supplied without any liability.

6 A warranty claim does not arise if the defect is attributable to the non-observance of operation, service or installation instructions, inappropriate or unsuitable use, incorrect or careless treatment, normal wear and tear as well as to changes to Goods made by Purchaser or a third party.

7 The warranty period is 5 years and commences with receipt of the Goods by the Purchaser. The period between the delivery date and the manufacturing date of the Good must not exceed three months. The warranty period for equipment and tools including service and spares is 2 years.

8 Identical warranty terms, as applicable to the original items delivered, shall apply to spare, replacement or repaired parts delivered in accordance with the warranty.

X. INDEMNITY, INSURANCE

1 Supplier shall indemnify and hold Purchaser, its agents, servants, officers, directors and employees, Purchaser's distributors, dealers and all entities which sell Goods or products into which the Goods are incorporated, and their respective customers, harmless against liability, costs, damages, losses, claims and expenses (including legal expenses) occasioned by or arising out of any claim for death, personal injury or propriety damage, which results from any defect/nonconformity or alleged defect/nonconformity in the Goods or from Supplier's breach of any term of the purchase agreement. Supplier will indemnify the Purchaser for all claims for damages made by third parties, especially for claims arising from product liability legislation, which are asserted against Purchaser in connection with the Goods and/or from Supplier's breach of any term of the purchase agreement.

2 Supplier shall hold Purchaser, its agents, servants, officers, directors and employees, Purchaser's distributors, dealers and all entities which sell goods or products into which Goods are incorporated, and their respective customers, harmless against liability, costs, damages, losses, claims and expenses (including legal expenses) arising out of any action to recall any vehicle, or any product into which Goods have been incorporated consequent upon any defect in the Goods.

3 Supplier shall maintain a comprehensive insurance which covers Supplier's product liability and general commercial liability from a financially sound and reputable insurance company. Such insurance policy shall include a clause relating recall campaign costs (except for purchase orders for equipment or tools) and including installation and dismantling costs incurred at the Purchaser or its Customer. The Supplier shall procure insurance to insure against personal injury and damages to property while operating on the Purchaser's site in no amount less than EURO 2 mio. The Supplier informs Purchaser immediately in case of termination or material change of insurance coverage. If it is likely that Supplier's ability to pay compensatory damages the Purchaser shall be entitled to terminate all or part of the purchase agreement. Furthermore each January of a calendar year and at any time upon request of the Purchaser, Supplier shall provide to Purchaser an insurance certification of the existing coverage.

XI. SPARE PARTS

1 The Supplier guarantees for the period of fifteen (15) years to the Purchaser to furnish it with spare parts as well as to render any documents necessary for service, such as plans, piece lists, etc., unless a different period is set forth in the Purchase Order.

2 If Sub-suppliers of the Supplier discontinue production of key materials or components used for the manufacture of the Goods, the Supplier shall inform the Purchaser immediately. In such a case Supplier shall undertake all its best efforts to look for alternative Suppliers and transfer all relevant know-how and materials to such supplier.

XII. USAGE MANUFACTURING DEVICES

1. Manufacturing devices like models, matrixes, patterns, samples, tools and others ("Manufacturing Devices") belonging to the Purchaser or to Purchaser's customers must be kept, maintained and preserved in working order and shall be comprehensively insured by Supplier free of charge. Supplier must mark such manufacturing devices as Purchaser's or Purchaser's customer's property with identification plate and codification number provided by Purchaser with Purchase Order. The Supplier must return evidence by documenting including photography. The Supplier must obtain the Purchaser's prior written consent before moving Manufacturing Devices owned by the Purchaser or by Purchaser's customer to another location of the Supplier, or a Related Company or of a third party. Supplier shall promptly resist any attempt to seize or impound such manufacturing devices. On request of Purchaser, Supplier shall immediately hand over such manufacturing devices.

2. Purchaser becomes sole owner of Manufacturing Devices manufactured or purchased by the Supplier following an order of the Purchaser as soon as they are fabricated or purchased by the Supplier. Ownership by the Purchaser will not relieve the Purchaser of its obligation to pay nor affect any claim of the Supplier for payment under a purchase agreement.

3. The Supplier has no property rights or other rights on Manufacturing Devices owned by the Purchaser. The Supplier waives any lien that it might have or otherwise be able to assert against the

Manufacturing Devices of the Purchaser and waives any objection to the Purchaser's repossession and removal of the Manufacturing Devices owned by the Purchaser for any reason, including bankruptcy and or insolvency proceedings.

4. The Supplier shall keep the Manufacturing Devices in good working condition and make any necessary repair and maintenance at its own expense. In case of any malfunctioning or damage caused to the Manufacturing Devices which could require such device be replaced or a stoppage in the supply of Goods the Purchaser must be promptly informed.

5. Manufacturing devices and other material provided to the Supplier by the Purchaser or otherwise owned by the Purchaser may be used solely for the manufacture of the Goods according to the Purchase Order.

6. Purchaser shall be granted an exclusive and irrevocable option exercisable at any time to purchase Manufacturing Devices owned by the Supplier, which are solely used to manufacture Purchaser's Good at the present value of the Supplier's actual cost of such Supplier's owned Manufacturing Devices that the Supplier has not yet recovered in the piece price of the Goods by the time the Purchaser exercise the option.

XIII. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS

1. Supplier is responsible for ensuring that the Goods or (where the Supplier has been notified of the intended use of the Goods) any goods with which the Goods are combined do not infringe any third party's intellectual or industrial property rights such as patents, industrial designs, trademarks, trade secrets and the like ("intellectual property rights").

2. Supplier will fully indemnify Purchaser against any infringement or claimed infringement of intellectual property rights of third parties, with respect to the Goods or (where the Supplier has been notified of the intended use of the Goods) any goods with which the Goods are combined. Supplier undertakes to join at Purchaser's request any legal proceedings brought against Purchaser, or to conduct the proceedings in Purchaser's place at its own expense and/or to assume the costs and compensation arising from the proceedings Limited Rights to Use of IP. Supplier acknowledges that Purchaser or Purchaser's customers may have valuable intellectual property rights in Tools, documents and information provided to Supplier. The Supplier may use intellectual property rights of the Purchaser only in the production and supply of the Goods. Any further use requires the prior written approval of the Purchaser.

3. Technical Information Disclosed to Purchaser. Supplier agrees not to assert any claim with respect to any technical information which Supplier shall have disclosed or may hereafter disclose to Purchaser in connection with the Goods or Services covered by the Contract. Supplier shall furnish to Purchaser, or any other party designated by Purchaser, without restrictions on use or disclosure, all information and data Supplier acquires or develops in the course of Supplier's activities under the Contract.

4. Ownership of Improvements. Supplier agrees to, and hereby does, assign its entire right, title and interest in all intellectual property, including, but not limited to, all writings, designs, mask works, software, inventions, improvements and discoveries, conceived or made by all employees and agents of Supplier in connection with their provision of services or the Goods to Purchaser under the Contract (collectively hereinafter "Improvements"), except as otherwise agreed in writing by the Supplier and Purchaser. Supplier further agrees to do all lawful acts and sign all assignments and

other papers Purchaser deems necessary, appropriate or advisable relating to applications for patents, mask works, registrations, trademarks, and copyrights related to the Improvements, or relating to the conduct of any interference, litigation or other controversy in connection therewith, provided that all expenses incident to the filing of such applications, the prosecution thereof and the conduct of any interference, litigation or other controversy, including Supplier's employees' time and travel expenses incurred in connection with such applications, shall be borne by the Purchaser. Supplier further agrees not to assert any intellectual property right against Purchaser in relation to Purchaser's use of any Improvements in connection with Supplier's performance under the Contract, and grants a royalty free, irrevocable, non-exclusive, worldwide license to any patent rights in the Goods provided that Purchaser use is limited to Purchaser and its affiliates to use, operate and maintain the Goods supplied under the Contract.

5. Supplier acknowledges that Purchaser or Purchaser's customers may have valuable intellectual property rights in Manufacturing Devices, documents and information provided to Supplier. The Supplier may use intellectual property rights of the Purchaser or of Purchaser's customers only in the production and supply of the Goods. Any further use need the prior approval of the Purchaser.

XIV. CONFIDENTIALITY

1 Supplier and Purchaser each commit themselves to treat as business secrets and to keep confidential all commercial and technical information of the other party which comes to their knowledge during the course of their business relationship unless such information is or becomes public known without fault of the party receiving such information.

2 Drawings, models, patterns, samples and similar objects shall not be reproduced, disclosed or otherwise be made available to third parties without the written consent of the party which owns them.

3 Supplier may use the established business relationship for advertising purposes only after having obtained Purchaser's previous written consent.

4 Sub-suppliers shall be made to commit themselves accordingly.

5 Disclosure by Purchaser to affiliated companies shall not be considered as a breach of the confidentiality obligation.

6 Supplier shall use any confidential information belonging to the Purchaser solely for the purpose of the supply of the Goods to the Purchaser.

XV. FORCE MAJEURE

1 Either of the parties may suspend performance of a purchase agreement during the occurrence of an event of force majeure, which shall be limited to epidemics, mobilization, war, damage to production facilities caused by natural disaster, embargoes, irrespective of whether this arise with regard to the Supplier, Purchaser or third parties. Not as event of force majeure shall be considered (a) any non-performance caused by Supplier's financial difficulties (b) change of credit lines or other financing conditions by financial institution of the Supplier, (c) a change in costs or availability of materials and components based on market condition or Sub-supplier action affecting

the Supplier, or (d) any labor strike or any labor disruption applicable to Supplier or to any of its Sub-suppliers.

2 During any period of force majeure the Purchaser shall be entitled without any obligation to the Supplier to revoke Releases or to reduce the quantities of the Goods set forth in such Releases and to obtain such Goods from other sources.

3 In the event that the Supplier discovers any fact which may, or could result in an excusable delay as defined hereunder, Supplier will immediately advise the Purchaser of such facts and use its best endeavors to take all measures and precaution to mitigate and to reduce any adverse effect of the excusable delay.

4 Each party will itself bear the costs it incurs as the result of an event of force majeure.

XVI. REPORTS

1 If requested by the Purchaser, the Supplier will provide to the Purchaser the most recent financial reports for itself and for any of its related companies involved in manufacturing, supplying or financing the Goods or any component parts of the Goods. Financial reports include income statements, balance sheets, cash flow statements and supporting data. The Purchaser may use financial reports provided under this clause XV only to assess the Supplier's ongoing ability to perform its obligations under the purchase agreements and for no other purpose, unless the Supplier agrees otherwise in writing. The obligation under clause XIII shall apply to financial reports.

2 If requested by the Purchaser, Supplier shall provide to the Purchaser all reports required for EC Regulation No. 1907/2006 (REACH), and/or for the United States Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism Initiative, and/or for the Canada Border Services Agency's Partners in Protection Program and all regulations and/or codes of practice relating thereto, as amended and replaced from time to time.

XVII. GENERAL PROVISIONS

1 Changes and amendments to these Conditions, and/or Contract Documents based on it, agreements and legally relevant declarations by the parties are binding only if made in writing or in the form set forth herein. This also applies to any agreement to waive the requirements for observance of the written form. Declarations become legally effective upon receipt by the counter party.

2 In the event of a conflict between the documents, which constitute part of the purchase agreement, unless otherwise expressly agreed in a specific document, the documents shall apply in the order in which they are listed hereinafter so that the documents listed first shall take precedence over documents listed subsequently: Purchase Order, any individual agreement, Release, these Conditions, other agreed documents and/or documents provided by the Supplier. With respect to such documents, a subsequently issued version shall prevail over a previously issued one. Terms defined in these Conditions shall have the same meaning in all documents constituting part of the purchase agreement, unless the context expressly provides otherwise.

3 Should one of the provisions of these Conditions or of any additional stipulations agreed upon are or become invalid then the validity of the remaining part of these Conditions shall not be

affected thereby. The contracting parties are committed to replace the invalid provision by another - with respect to the commercial effect - equivalent provision, in so far as this is possible.

4 Every right and remedy of Purchaser provided in these Conditions shall be cumulative concurrent and in addition to any other right and remedies available at law.

5 Failure or delay by the Purchaser in enforcing or partially enforcing any provision of the purchase agreement will not be construed as a waiver of any of its rights under the purchase agreement. Any waiver by the Purchaser of any breach of, or any default under, any provision of the purchase agreement by the Supplier will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of the purchase agreement.

XVIII. TERMINATION

1 If the Supplier ceases to conduct its operations in the normal course of business or if any proceedings under the bankruptcy or insolvency laws of the jurisdiction in which it carries on business are brought against the Supplier, or a receiver for the Supplier is appointed or applied for an assignment for the benefit of creditors of the Supplier, the Purchaser may terminate the purchase agreement immediately without any liability. In the normal course of business the Supplier must inform the purchaser of the termination in written and with a notice period of at least six (6) months at the end of each quarter.

2 Supplier shall notify in writing the Purchaser, if (i) a sale or an exchange in the controlling interests in the shares of the Supplier has occurred or if (ii) a substantial portion of the Supplier assets used for the production of the Goods are sold, leased or otherwise transferred to a third party ('change of control') within 5 working days after the change of control has become effective. The Purchaser shall have the right within 60 days from the written notification of the Supplier to terminate any purchase agreement in effect in writing with a notice period of 30 days.

3 Any terms of these Conditions that survive by their nature termination of an agreement shall remain in full force and effect after termination of the agreement.

XIX. CHOICE OF JURISDICTION AND APPLICABLE LAW

1 The contractual relationships shall be governed exclusively by Swiss law excluding the conflict of law provisions and the UN Convention on Contracts for the International Sale of Goods (CISG). The venue for all legal disputes arising either directly or indirectly out of contractual relationships based on these Terms and Conditions of Purchase shall be Zurich. Purchaser further have the right to take legal action against the supplier at a court with jurisdiction over the registered office or branch office of the supplier or at the court with jurisdiction over the place of performance at Autoneum's discretion.

2 Place of performance shall be the legal domicile of the Purchaser. Concerning the deliveries the parties may agree otherwise.