

NMAG GENERAL TERMS AND CONDITIONS OF PURCHASE

01.04.2017

1. Scope

Unless otherwise agreed upon with NIDEC MOTORS & ACTUATORS (GERMANY) GmbH (hereinafter referred to as "NMA")'s Purchasing Department (the "Purchasing Department"), these General Terms of Purchase shall apply to all purchases made by NMA whether they be for tools, machines or equipment, parts, raw materials, other materials or services (the "Supply" or the "Supplies").

2. Orders

2.1. Purchase Order

Supplies must always be the subject of a purchase order (the "Order"), valid either for an individual purchase order or as a general purchase order for a limited period of time (the "Limited General Order") or for an unlimited period of time (the "Unlimited General Order"). Orders shall be made by mail, fax or any electronic means that has been agreed upon.

2.2. Acceptance of Orders and Prevalence of the General Terms of Purchase

Orders shall be deemed accepted upon receipt of the order acknowledgement attached to the Order, which is to be returned to the Purchasing Department by the supplier (the "Supplier") by mail, fax or any electronic means that has been agreed upon, at the latest within eight (8) business days of the Order date. If NMA does not receive the order acknowledgement within eight (8) days of receipt of the Order by the Supplier, it shall be entitled to retract the Order. If there is no order acknowledgement, commencement of execution of the Order shall be deemed an explicit acceptance of the Order.

Acceptance of the Order shall automatically mean that the Supplier undertakes to comply with the NMA Production System and the NMA Quality Control System, as well as any other quality control procedure(s) that may be implemented during execution of the Order, and that NMA's General Terms of Purchase apply. The General Terms of Purchase shall prevail over the Supplier's terms of sale. General terms and conditions of the Supplier which are opposed to or differ from these conditions shall not apply, irrespectively of whether or not NMA has contradicted them in individual cases.

2.3 Supplier's Specific Obligations

2.3.1 The Supplier, a professional in its field, is fully aware of the demands and requirements of the Automobile Industry, in particular in terms of quality, cost, and adherence to delivery dates. The Supplier shall deliver the Supplies in compliance with this Industry's standards and rules, as well as with the laws, regulations and standards in force concerning health, safety, environmental protection, and labor laws in each of the countries where the Supplies are manufactured or where the vehicles in which they are used are sold. The Supplier shall hold NMA harmless and defend it from and against any claims arising from a breach of these provisions and shall bear all the direct and indirect consequences thereof, in such a way that NMA shall never be prosecuted.

2.3.2 The Supplier shall deliver the Supplies in compliance with all other documents that govern the relations between NMA and the Supplier in connection with the Supplies and that are complementary to these General Terms of Purchase, in particular the drawings, specifications, list of requirements, etc. (the "Documents").

2.3.3 The Supplier undertakes, at NMA's first request, to make any modification to the Supplies, to provide any and all information concerning the Supplies or the execution of the Order, and to supply proof of the country of origin and the components of the Supplies.

2.3.4 The Supplier shall not modify the Supply in any way, in particular by changing its components, materials, the process(es) used to manufacture it, or its place of manufacture without prior approval from NMA within the meaning of the NMA Quality Control Procedures and of customary rules and practices in the Automobile Industry.

2.3.5 The Supplier agrees to deliver the Supplies for the needs of the spare parts market for a period of fifteen years after the sale of the last vehicle of the model(s) in the range for which said Supplies were used.

2.3.6 In order to permanently maintain the competitiveness of both the Supplies and the NMA products in which said Supplies are used, the Supplier agrees to implement measures to increase productivity continuously. The minimum level of annual productivity with respect to the Supplies shall be established by mutual agreement.

2.3.7 Acceptance of the Order shall automatically bind the Supplier to strictly comply with the delivery deadline shown either on the Individual Order or, in the event of a General Order, on the delivery schedule in which NMA agrees to purchase certain binding amounts. No early delivery shall be accepted without prior agreement, and expenses therefor shall be borne by the Supplier.

Unless the Supplier is not responsible for the delay, it shall indemnify and compensate NMA for all direct and indirect costs and damage resulting from failure to respect the delivery deadline, in particular those related to shutdowns of production or assembly lines at NMA's facilities or those of its customer(s). Furthermore, NMA shall have the option of canceling an Order

The Supplier shall be financially responsible for any damage (breakage, missing items, partial damage etc.) to the Supply as a result of inappropriate or inadequate packaging. The Supplier shall further be obliged to take back the packaging at its own cost, should NMA request this.

in accordance with Article 13.2 herein. Any extra cost caused by NMA being forced to order Supplies from a third party shall be borne by the Supplier.

2.4 Delivery Schedule

NMA's duties pursuant to a delivery schedule are limited in every case to the purchase of the amounts whose procurement is approved in the delivery schedule, and replacement of the materials whose procurement the delivery schedule approves over and above the production go-ahead; amounts exceeding the production go-ahead and the go-ahead for the purchase of input materials are for preview purposes only and are non-binding for NMA.

3. Intellectual and Industrial Property Rights

3.1 The Supplier guarantees the validity of the intellectual and industrial property rights related to the Supplies, as well as the unrestrained usability of the Supplies as regards the intellectual and industrial property rights of any third party. The Supplier shall defend and hold NMA harmless from any complaint and/or claim made by a third party. Moreover, in the event that a third party initiates proceedings requesting that the use, marketing, or sale of the Supplies be forbidden, limited or modified, the Supplier shall be solely liable for all consequences resulting from these proceedings, including for payment of damages and any negative effect on NMA's corporate reputation. The Supplier shall indemnify and compensate NMA for all damage sustained as a result of NMA's partial or total inability to perform any binding contract(s) between NMA and its customer(s) in relation to the Supplies, including any damage payments that NMA might owe to its customer(s) for failing to fulfill its commitments and the extra cost caused by any modification needed for the Supplies and/or the tools involved. Furthermore, NMA shall have the option of canceling an Order in accordance with Article 13.2 herein. In the event the Order is canceled for any reason whatsoever, the Supplier hereby authorizes NMA to complete or cause to be completed the tools and equipment for their maintenance and/or to manufacture the parts for which they are intended, notwithstanding any intellectual and/or industrial property rights which the Supplier might claim and which the Supplier hereby waives using against NMA or any third party mandated by NMA in connection with this. Furthermore, the Supplier shall, at first request, provide all relevant drawings, technical documents and know-how related to the tools, equipment and/or parts.

4. Prices, Invoicing, and Payment Terms

4.1. Prices

Applicable prices shall be those shown on the Order. These are fixed prices which may not be revised unilaterally and which shall be understood "Delivery Duty Paid" or "DDP" (as defined in Incoterms 2010 or any subsequent version of Incoterms 2010), place of delivery. They may not be modified in any way whatsoever without the express agreement of both parties. Even in the event of a significant change in the commercial basis of the Order pursuant to Section 313 German Civil Code (BGB) (Wegfall der Geschäftsgrundlage), the Supplier shall not automatically be entitled to stop performing the Order. In such an event, the parties shall in good faith negotiate a price adjustment taking into account all relevant circumstances including but not limited to the cost increases as actually proven by the Supplier. The party whose price proposal was refused after such negotiations may terminate the Order; however, the Supplier shall continue the delivery until manufacture of the Supply can be carried on at another supplier's facilities.

4.2. Invoicing and Payment Terms

All the details shown on the Order that allow the Supplies to be identified and checked shall be shown clearly on the invoice. The invoice must mandatorily be sent to the address shown on the face of the Order.

Unless otherwise stipulated, payment for the Supplies shall be due by bank transfer ninety (90) days after the end of the month of the invoice on the 10th of the following month.

5. Packaging and Shipping Documents

The Supplier shall deliver the Supplies in a packaging that is adapted to the type of Supplies involved, the way they are shipped and the way they will be stocked, in order to deliver them in perfect condition. Each packaging unit must legibly display on the outside the information required by the applicable shipping regulations, as well as any instructions for special conditions required for stocking. This information shall include the Order number, the batch number, an exact description of the Supplies, the sender and recipient's exact names and addresses, the quantity delivered, and the gross and net weight. The delivery shall be accompanied by two (2) exact copies of the delivery slip which shall enable the Supplies to be identified, checked as to their quantity, and if applicable, shall include any material safety data sheets.

6. Delivery

6.1 Supplies shall be delivered to the place of delivery shown on the Order.

6.2 NMA reserves the right to refuse the Supplies by ordinary letter, fax or any other electronic means agreed upon in the event that the delivery deadline is not respected or that delivery is incomplete or contains more Supplies than ordered or does not comply with the Order and/or the Documents. Any Supply that is refused will be returned to the Supplier at its own expense and risk within eight (8) days of the date of refusal. The Supplier shall indemnify and compensate NMA for any extra cost related to its failure to deliver Supplies that conform to the Order (rejected goods, stocking, sorting, rectification work, damage to tools and/or line stoppage at NMA or its customers' facilities, retrofitting work, penalties, orders from a third party, etc.) NMA shall have the option of canceling the Order in accordance with Article 13.2 herein.

7. Warranties

7.1 The Supplier, an expert in its field, assumes full responsibility and liability for the Supplies, their design, the manufacturing including the manufacturing processes, the materials used to produce them, and their fitness for the particular purpose for which they are intended. The Supplier warrants that it is fully aware of this, no matter what assistance NMA may have provided during the development stage of the Supplies. From the time of delivery, the Supplier warrants the conformity of the Supplies in all respects to the Order and/or the Documents and shall be liable for this, regardless of whether the defect is the result of an error in design, materials or manufacturing, or is - more generally - a hidden or obvious defect.

7.2 The Supplier undertakes to inspect the Supplies for defects prior to delivery to NMA. NMA shall be deemed to be in compliance with its duties under Section 377 of the German Commercial Code (HGB) if it inspects the Supplies for evident transport damage as well as for deficiencies in identity and quantity by taking random samples. NMA shall notify the Supplier of defects ascertained thereby within ten days of delivery. If NMA discovers defects subsequently, NMA shall inform the Supplier of such defects within ten days of their discovery.

7.3 Upon delivery of defective Supplies, NMA can, at its own option, demand either that the defects be remedied or that new Supplies free of defects be delivered ("Subsequent Performance"). Should the Supplier fail to begin to remedy the defects upon request without delay, NMA can rescind the Order with respect to the defective Supplies and return them to the Supplier at the latter's expense. In urgent cases, particularly in order to avoid closing down production and/or in case of an imminent delay in delivery to its own customers for other reasons, NMA shall be entitled to remedy the defects itself or have them remedied by third parties at the Supplier's expense, without first giving the Supplier the opportunity to render Subsequent Performance.

7.4 The Supplier shall bear the cost of Subsequent Performance, as well as the costs incurred by NMA in connection with the defective delivery for inspection, sorting, remediation of defects, transport and other expenses (including the cost of increased inspections of incoming goods due to the defective delivery). The same shall also apply for all costs and expenditures NMA has to bear in relation to its customers due to the replacement or repair of the contractual product (including the cost of a recall or service action [Werkstattaktion]). Section 439 para. 3 German Civil Code (BGB) shall not apply. Beyond this, the Supplier shall be liable for any additional damage or expense incurred by NMA (in particular due to exceptional shipping, line stoppage at NMA or its customers' facilities, penalties, cost of ordering Supplies from a third party, damage to NMA's reputation), unless the Supplier proves that it was not responsible for the defect, whereby the Supplier must allow a fault of its suppliers to be attributed to it as if it were its own.

7.5 Unless otherwise agreed in writing, NMA's claims resulting from product defects shall become statute-barred 36 months after the transfer of risk; however, with respect to parts and materials which are used in deliveries to NMA's customers, not after the expiration of the warranty period applicable between NMA and the respective customer. If a product defect becomes evident within six (6) months of the transfer of risk, it shall be assumed that the defect already existed at the time of the transfer of risk. Defects notified within the statute of limitation shall become statute-barred at the earliest six months after the notification of the defect. Section 479 German Civil Code (BGB) remains unaffected and shall apply even if the end customer is a company.

7.6 With respect to product liability, the Supplier shall hold NMA harmless against any liability for death or personal injury of third parties or for damage to property, to the extent that this is due to defects in the Supply, and in such cases shall assume all costs and expenditures, including the cost of a possible prosecution or recall action.

7.7 The statutory provisions regarding liability for product defects and defects of title shall apply unless otherwise stipulated above.

8. Insurance

The Supplier shall take out an insurance policy with a reputable insurance company in compliance with NMA conditions, and shall provide proof thereof at first request. This insurance shall in no event constitute a limitation of the Supplier's liability.

9. Non-transferability- Subcontracting

9.1 The Supplier may not transfer all or any part of an Order or any claims arising from it to a third party without NMA's prior, express authorization.

9.2 In the event that direct or indirect majority control of the Supplier changes or that the Supplier's company is sold or transferred, NMA shall have the option of canceling Orders in progress in accordance with Article 13.2 herein.

9.3 The Order may not be subcontracted by the Supplier, whether in full or in part, directly or indirectly, without NMA's prior, express authorization. Should the Supplier be authorized to subcontract all or any part of the Order to a third party, the Supplier shall remain solely and fully responsible and liable vis-à-vis NMA for performance of the Order and for adherence to these General Terms of Purchase.

10. Confidentiality

10.1 All information provided to the Supplier by NMA or one of its affiliates or representatives, including, but not limited to, technical, industrial, commercial or financial information, no matter how said information may have been provided (orally, in writing, or other), particularly in respect of designs, drawings, descriptions, specifications, reports, microfilms, computer data storage devices, software and documentation related thereto, samples, prototypes, etc. shall be confidential (the "Information"). The Information shall also include information of which the Supplier's employees or agents, suppliers, subcontractors, representatives, and/or permanent or temporary collaborators may become aware during the execution of the Order.

10.2 The Information may only be used in connection with the respective Order. The Supplier shall take all necessary measures to ensure that no Information is disclosed or revealed to a third party.

Any failure to comply with this obligation of confidentiality shall result in the application of Article 13.2 herein.

10.3 This obligation of confidentiality shall remain in effect for a term of five (5) years after completion or termination of an Order for any reason whatsoever. Once the Order has been completed or terminated, the Supplier shall, at first request, return to NMA all documents related to the Order, whether confidential or not, without keeping copies unless NMA has granted its prior, express authorization to do so.

11. Transfer of Ownership/Risks

11.1 Ownership of a Supply shall devolve to NMA upon transfer of risk. Upon payment of a down payment by NMA, the Supplies and/or the materials used (including raw materials) and/or semi-finished products shall become the exclusive property of NMA or shall become co-owned by NMA pro rata and shall be held by the Supplier in favor of NMA (constructive possession); in this case, the Supplier shall not be entitled to levy a separate charge or to claim compensation from NMA for any expenses. The Supplier undertakes to use all means to store said materials separately from other objects and to mark, label or otherwise visibly identify them as NMA's property.

11.2 Any prolonged or extended retention of title by the Supplier in respect of the Supply is expressly excluded.

11.3 NMA reserves the right to audit all manufacturing processes for the Supplies and the Supplies themselves on the Supplier's premises or those of its subcontractors, if applicable, during execution of the Order and prior to delivery. The Supplier hereby agrees to grant NMA free access to its premises at any time and to ensure that NMA has free access to its subcontractors' premises and to give NMA the possibility of testing the Supplies without said testing in any way limiting the Supplier's liability or warranties.

12. Molds, Tools, and Other Specific Equipment

12.1 All molds, tools, and other special equipment provided by NMA for the needs of the Supplies (the "Equipment") shall remain NMA's exclusive property. Equipment which the Supplier manufactures at NMA's expense or purchases from third parties for the production of Supplies for NMA shall become NMA's property immediately upon manufacture or receipt by the Supplier, as shall the related industrial property rights or production results which emerge from the manufacture of such Equipment.

In all cases, the Equipment shall be deemed to have been left on deposit at the Supplier's premises for the purpose of execution of the Order, even in the absence of any specific loan agreement or deposit slip to this effect. The Equipment may only be used for the needs of the respective Order, unless NMA agrees to the contrary in writing, and may not be lent, made available to a third party, reproduced, or copied. At the Supplier's expense, the Equipment shall be marked by an easily visible, non-removable identity plate that shall state "Property of NMA - may not be transferred or pledged"; the Equipment may not be pledged and/or granted as security. The Equipment may be taken back by NMA at any time, and the Supplier shall not have any rights of retention.

12.2 As custodian of the Equipment, the Supplier shall warrant its perfect servicing, handling according to the applicable rules, checking and maintenance so as to prevent, in particular, any deviations in the manufacturing process or breakdown in supply, and shall provide a precise and detailed inventory of the Equipment at NMA's first request and as often

as necessary. Further, the Supplier shall be responsible for replacing the Equipment in the event of loss, theft, destruction, or premature wear and tear. In connection with this, the Supplier shall at its own expense take out the necessary insurance policies covering all damage (including theft); the amount insured must cover at least the replacement value of the Equipment. The Supplier shall be liable for any damage or risks that the Equipment may cause during its use. The Supplier shall take out a liability insurance for damage to third parties covering an appropriate amount, and shall provide proof of said insurance at NMA's first request.

13. Termination - Cancellation

13.1 Timely Termination

13.1.1 Unlimited General Orders are placed for an unlimited period of time. NMA may terminate all Unlimited a General Orders at any time subject to prior notice of three (3) months. The notice period may be reduced by express agreement of both parties. During the notice period, the Order must be performed in accordance with the contractual terms and conditions that were in effect when the notice of termination was sent, in particular regarding prices. Timely termination of the Order shall under no circumstances entitle the Supplier to demand compensation for any damages or other claims.

13.1.2 Limited General Orders are placed for a limited period of time and may not be renewed tacitly.

13.2. Cancellation for Important Reason

NMA shall be entitled to terminate the Order without previous notice if the Supplier is in breach of any of its contractual obligations, provided that the Supplier fails to remedy in total such a breach within eight (8) days of receipt of notification from NMA requiring it to do so. In addition, in case of such a breach NMA shall be entitled to make use of all legal remedies permitted by applicable law.

14. Miscellaneous

14.1 If any of the provisions of these General Terms of Purchase is held invalid or unenforceable, the remaining provisions shall remain in full force and effect.

14.2 Failure by NMA at any time to exercise any of its rights under these General Terms of Purchase, the Order and/or the Documents shall not be deemed a waiver thereof, nor shall such failure in any way prevent NMA from subsequently asserting or exercising the right in question.

14.3 The Supplier shall make no reference to its commercial relations with NMA without NMA's prior, express authorization.

14.4 In the event of a dispute, German law shall be the governing law under exclusion of any recourses according to collision rules. The Vienna (UN) Convention of 1980 on the International Sale of Goods shall not apply. The sole place of jurisdiction for all disputes arising directly or indirectly from this contractual relationship shall be NMA's place of business; however, NMA shall also be entitled to file suit against the Supplier in the Supplier's place of business.