

**IMR AUTOMOTIVE S.P.A.**  
**General Terms of Purchase**

***I. Scope***

1. The General Terms of Purchase of IMR Automotive S.p.A. (hereinafter "IMR"), as set out below, exclusively govern the supply of goods and services to IMR.

The general terms of sale of the supplier (hereinafter the "Supplier") shall only apply if, and insofar as, expressly accepted in writing by IMR in the person of its Chairman, Chief Executive Officer or an authorised attorney.

***II. Manner of supply***

1. For all purchases of any kind from the Supplier, IMR shall only use its own forms (hereinafter the ORDERS).

2. The Supplier undertakes to provide IMR with written acceptance of the Order by fax or e-mail, within 48 hours of the date of the Order itself, in the form of a copy of said Order duly signed at the bottom.

Should the Supplier fail to convey its acceptance of the Order to IMR, IMR shall consider the Order in question accepted unless it receives express written notification to the contrary.

3. IMR reserves the right to make any change to an Order through the issue of a change to said Order. Each change to order shall be deemed as accepted by the Supplier should said Supplier not inform IMR of its refusal thereof, by registered letter with return receipt or by certified e-mail, within 48 hours of receipt of the corresponding Change to Order.

***III. Delivery***

1. The parties acknowledge that the terms of delivery of the products are to be deemed essential terms.

2. The Supplier shall promptly inform IMR of any delays in deliveries, and shall indicate actions designed to limit the detrimental consequences of its own non-fulfilment.

3. In any case, any delay in the delivery of the products shall entitle IMR to apply a penalty to be set off against the price due, for each week's delay, or fraction of a week's delay, equal to 2% of the value of that part of the Order regarding products delivered late. Without prejudice to IMR's right to compensation for any proven greater damage suffered, including direct and indirect damage.

***IV. Price and payment of Orders***

1. Unless otherwise agreed in writing, all prices shall be deemed set and invariable, for the entire duration of the supply, and inclusive of all carriage, packaging and delivery costs.

2. IMR is entitled to set off any of its own receivables still due, including those deriving from non-fulfilment by the Supplier and those not deriving from the supply agreement, against any amounts due to the Supplier in virtue of the supply agreement.

3. The Supplier may not assign its receivables or other benefits deriving from the supply agreement, either in part or in full, without IMR's prior written agreement.

4. Payment of the price shall under no circumstances constitute acknowledgement of the conformity of the products to the supply order, or of the Supplier's due fulfilment of its obligations under the supply agreement.

***V. Transfer of risk***

1. The risk of damage, loss or wear caused for whatever reason shall be transferred to IMR upon delivery of the products, in accordance with the corresponding Incoterm for deliveries.

2. In the absence of any specification or other instruction regarding the means of delivery of the Order, delivery shall be made DDP (Delivered Duty Paid - INCOTERMS 2010) to IMR's premises.

***VI. Acceptance and complaints***

1. IMR shall be entitled, but not obliged, to inspect the products at the time of their delivery, in order to check that they conform to the agreed terms. Under no circumstances shall the taking of delivery of the products constitute an implicit declaration of the delivered goods' compliance with the Order; nor shall it prevent IMR from submitting subsequent complaints or from exercising its rights under the supply agreement.

2. Without prejudice to the provisions of the preceding point 1, IMR is expressly entitled to exercise the following rights, simply by notifying the Supplier of such exercise in writing:

- the right not to accept partial supplies or supplies in excess of those agreed upon, and in such case to refuse and return, at the Supplier's risk and expense, the products delivered in contrast to the agreed terms of delivery;
- the right to terminate the supply agreement simply by notifying the Supplier in writing of such termination, in the event of the Supplier's serious breach of its contractual obligations regarding the delivery and/or compliance of the delivered products, and the right to procure the entire supply referred to in this agreement, or part of such supply, from other suppliers, and in such event to charge the Supplier for any greater costs incurred.

Without prejudice to IMR's right to compensation for any direct or indirect damage.

3. The Supplier waives its right to object that actions are time-barred due to failure to report the faults within the terms established by law.

4. For information related to the supplier quality see Mod. 072 "Supplier quality specifications".

***VII. Suitability, Warranties and Faults***

1. The Supplier warrants that the Products are devoid of any faults and meet the promised specifications, together with any other technical specifications eventually agreed between IMR and the Supplier, as well as, in general, the higher quality standards for that category of product.

2. Should any faults and/or non-compliance of the Products be discovered, IMR shall notify the Supplier thereof, in writing, specifying the grounds for the complaint, within 45 days. In the case of evident faults or defects, said term shall run from the date of initial employment of the Products by IMR; in the case of hidden faults or defects, or of the malfunctioning of the Products, said term shall run from the discovery of such faults, defects or malfunctioning.

For each case of non-compliance discovered, IMR shall charge the Supplier a fixed administrative fee of 250 Euro.

3. The Supplier shall be bound to promptly replace any faulty or non-compliant Products with compliant Products, free of charge, and shall pay all costs for the collection and delivery of the Products themselves, and all costs borne by IMR for any selection, resumption, reworking, and anything else, required in order to re-establish the required standards of quality.

4. The warranty on all Products shall be valid for 24 months from the date of the initial use of such Products.

5. The Supplier also undertakes to keep IMR indemnified, also beyond the terms of the warranty, against any damage suffered or cost borne by IMR, directly or indirectly, as a result of defects, malfunctioning or non-compliance of the Products for which the manufacturer may be deemed responsible under law or EC regulations.

6. The Supplier shall notify IMR, at least 4 (four) months in advance, of any variations in the product manufacture or process. The Supplier shall also notify IMR, at least 6 (six) months in advance, of any termination of production.

**VIII. Termination of the supply agreement and withdrawal**

1. IMR shall be entitled to terminate the supply agreement should the Supplier breach any of its obligations under such agreement and fail to rectify such breach by the deadline established by IMR at the time of submission of written notice of the breach.

**IX. Intellectual Property**

1. The Supplier warrants that it disposes of all patents, trademarks, know-how, intellectual property or industrial ownership rights it employs in the manufacture and sale of the products supplied, and to indemnify and hold IMR and its assignees harmless against any damage, charge or liability deriving from breach of this warranty.

2. Should any patentable inventions be created during the cooperation between the Supplier and IMR, each Party shall be entitled to submit patent applications regarding inventions created independently by its own employees.

3. Should the inventions created derive from the joint operations of the employees of both Parties, the corresponding patents shall be the joint property of the two Parties.

4. The Parties acknowledge, in any case, that the Supplier shall make no use of the patents created at the time of its cooperation with IMR, without IMR's prior agreement.

**X. Constructions based on IMR's drawings and models**

1. IMR's drawings and models may not be copied by the Supplier, or transmitted to other persons, or used by the Supplier for any purpose. The production of materials based on IMR's drawings, models or samples shall be limited by the Supplier to those quantities to be supplied to IMR, and the Supplier undertakes to destroy any leftover materials.

2. The Supplier acknowledges as illegal the manufacture and sale, beyond the scope of the supply, of any materials based on IMR's drawings, models or samples for the purpose either of their employment in production, or for the purpose of supplies, spare parts or accessories of any kind, regardless of whether such materials are produced or are placed on sale with reference, or otherwise, to IMR's name, trademarks or distinctive signs.

3. The equipment (gauges, moulds, special equipment and monitoring equipment, etc.) that IMR provides the Supplier with for the fulfilment of one or more Orders, shall remain the property of IMR. The Supplier is responsible for the safekeeping and maintenance of such equipment, and is bound to return it to IMR upon simple request from the latter, and to use it exclusively for the production of products for IMR and its associated companies.

**XI. Privacy**

1. The Supplier undertakes to keep confidential, and not to divulge, all technical and commercial information received from IMR on the occasion of performance of the agreement to which these General Terms apply, for the entire duration of said agreement and for a further period of 3 years subsequent to expiry or termination of the agreement for whatever reason.

**XII. Non-enticement of employees**

1. The Supplier undertakes, for the duration of the agreement to which these General Terms apply, and for a further period of 12 months subsequent to expiry of said agreement, not to offer IMR's employees any employment, be it dependent or freelance, occasional or continuous. Should the Supplier fail to comply with this undertaking, and should such non-compliance not have been expressly authorised in writing by IMR, the Supplier shall pay a penalty, without prejudice to greater damages (for costs for the selection, hiring and training of new employees, and for the losses suffered following the interruption of projects in which the employee in question was involved), amounting to the total pre-tax cost of the employee borne by IMR during the month prior to termination of that person's employment, multiplied by twelve.

**XIII. Jurisdiction and applicable law**

1. Any dispute regarding these General Terms of Purchase or the trading/supply they govern shall come within the exclusive jurisdiction of the Court of Milan.

2. These General Terms of Purchase and the sales/supplies to which they apply shall be governed by Italian law, and shall not be subject to the provisions of the Vienna Convention.

date \_\_\_\_\_  
IMR Automotive S.p.A.

\_\_\_\_\_  
The Supplier

Pursuant to, and for the purposes of, Articles 1341 and 1342 of the Italian Civil Code, the Supplier hereby declares that it specifically approves the following articles following a careful reading thereof:

The Supplier \_\_\_\_\_