

General Conditions of Sale and Delivery of MCI Mirror Controls (Suzhou) Co., Ltd., established in Suzhou, P.R. China

1. GENERAL AND DEFINITIONS

1. The following definitions shall apply:

Agreement	an agreement between MCI and the Customer relating to the sale and delivery of Goods by MCI;
CISG	the United Nations Convention for the International Sale of Goods;
Conditions	these General Conditions of Sale and Delivery of MCI.
Customer	the purchaser of the Goods as defined in the Agreement;
Delivery	the delivery of the Goods and/or the performance of services provided by MCI;
Goods	goods and/or services provided by MCI;
MCI	MCI Mirror Controls (Suzhou) Co. Ltd., a company established in Suzhou, P.R. China and or any of its affiliates in China;
Price	the price of the Goods as stated in the Agreement.

- The Conditions shall apply to and form part of any (offer or acceptance in respect of an) Agreement, whereby MCI sells the Goods to the Customer, in the broadest sense.
- Any departure from and/or suppletion of the Conditions shall only be possible if and in so far as MCI has explicitly agreed thereto in writing.
- At all times, MCI has the right to amend the Conditions. One (1) month after the announcement, the amendments will become effective and will apply to the Agreement. The Customer is entitled to reject the amendments to the Conditions, but only until the moment the amended Conditions have become effective.
- The applicability of any general terms and conditions of the Customer under whatever name shall not apply to the Agreement, and their applicability is hereby expressly rejected.

2. PROPOSALS

All offers made in any form by MCI shall be free of obligation, unless explicitly stated otherwise. All proposals made by MCI may be withdrawn at any time and will expire in any event sixty (60) days from the date the proposal was made unless specifically provided otherwise in writing when the proposal was made.

3. ACCEPTANCE

- The contents of the written acceptance by MCI of an order placed by the Customer constitutes the agreement between MCI and the Customer. The acceptance by MCI is expressly limited to these Conditions unless it is expressly agreed upon in writing otherwise. The Conditions shall be part of any subsequent agreement between MCI and the Customer unless MCI specifically agrees otherwise in writing to modifications expressly set forth in writing and signed by MCI's authorised representatives.
- MCI is entitled to reject any prospective Customer at its sole discretion.

4. PRICE AND SALES

- All prices quoted are net of any sales, use or excise tax imposed with respect to the sale. Any such tax is for the account of the Customer and may be included with the invoices.
- New Prices will be effective as of 1 January of each calendar year, by means of a written notification to the Customer.
- MCI is entitled to increase the Price quoted to the Customer and in the event import- or other duties, or the cost of transport have increased since the acceptance by MCI of the order or if the effect of any governmental rule, regulation or decision is to increase the Price. MCI may also increase the Price in the event of any change in the exchange rate between the Euro and the currency in which payment for the Goods will be made or due to raw material price increases. The Customer is not entitled to cancel an order placed, and accepted by MCI if any such price increase shall occur.
- Unless otherwise agreed to in writing, Delivery shall be Free on Carrier at the relevant MCI plant and the packaging is Customer's property (FCA, Incoterms 1990). From the moment of Delivery, also risk of loss or damage shall be for the account of the Customer, even if title to the Goods has not yet passed.
- Unless agreed otherwise in writing, the Customer shall promptly collect the Goods or arrange for their collection from MCI once MCI has notified the Customer that the Goods are ready for collection. If the Customer refuses to take prompt Delivery or is negligent in providing necessary information or instructions for Delivery, then the Goods will be stored at the Customer's risk. The Customer shall pay MCI all additional delivery, storage and insurance costs and any other costs incurred along with any loss arising in connection with this neglect or refusal.

5. PAYMENT

- The Customer shall pay the Price. The Price shall be paid under the conditions and within the time period agreed upon between MCI and the Customer. Payment must be made by transfer to or deposit with a bank account as indicated by MCI.
- Payment by means of a transfer to a bank account shall be deemed to have been made upon crediting of the amount concerned to the bank account of MCI. All costs related to payment into or transfer to a bank account shall be for the account of the Customer.
- The Customer is not entitled to set off any amount owed to MCI with any debt of MCI to the Customer.
- If the Customer does not timely pay any amount owed to MCI, the Customer shall be in default, without MCI being required to give any further notification of default. If the Customer is in default in this manner, MCI is entitled to suspend the performance of its obligations under the agreement. Furthermore, the Customer shall then pay interest as from the last day of payment, in full, at the rate of 1% per month or part of a month, each time based on the highest amount past due in the period of one (1) month concerned. The interest shall be paid together with and at the same time as the amount past due. All costs connected with the collection of the amount past due, including all costs of legal assistance, are for the account of the Customer. Furthermore all extrajudicial costs connected with the collection of the amount past due by third parties, which costs are fixed at EUR 150,- or at 15% of the amount past, if such 15% exceeds EUR 150,-, are for the account of the Customer.

- If the Customer does not comply with the demand set forth in Article 5 paragraph 4 within seven (7) days, MCI is entitled to terminate the Agreement with immediate effect and without intervention by the courts. The Customer shall be liable for the damages of MCI.
- The Customer shall be under a duty to reimburse MCI for all judicial costs.

6. COLLATERAL

At MCI's request the Customer shall give collateral satisfactory to MCI in order to secure payment of the Price and/or the costs that are for the account of the Customer.

7. DELIVERY

- All delivery periods specified by MCI are approximate. To the extent MCI is dependent on any of its Customers in order to comply with the delivery period, the time for the delivery period is specified without any guarantee provided by MCI that such period will be met. Any such time is extended to the extent reasonably necessary. MCI shall not be liable for any delay in the Delivery caused by any labour dispute, embargo, war, damage to factory or governmental law or regulation, inability to obtain labour or material, acts of god or other cause beyond MCI's reasonable control affecting MCI, its Customers or shippers. In case of a delay, MCI shall notify the Customer at the earliest opportunity possible by means of a written notification.
- If the Delivery is deferred at the Customer's request, payment of the entire Price shall be due and payable after notification from MCI that the Goods are ready for shipment. The risk of loss shall be for the account of the Customer upon receipt of notification from MCI that the Goods are ready. Reasonable storage costs shall be borne by the Customer.
- MCI shall retain title to all Goods delivered or to be delivered to the Customer until MCI has received payment in full of the purchase price of the Goods, the fees for any work done in relation to any sales agreement concluded with the Customer and any other costs resulting from a breach by the Customer of any such sales agreement.
- During such time as MCI has title to the Goods, the Customer shall keep MCI's Goods separately from all other goods in such a way as to clearly indicate at all times that the said property remains that of MCI. The Customer shall assist and cooperate with MCI in any and all measures necessary to protect and secure MCI's property.
- The Customer shall insure the Goods, title of which remains in MCI, against any and all risks commonly insured against such as theft, fire and/or water damages.
- During such time as MCI retains title to the Goods, the Customer in possession of the Goods shall have the power to deal with and actually deliver the Goods in the normal course of its business.
- For the purpose of repossessing any of the Goods pursuant to this Article 7, MCI shall be entitled to enter upon any land and/or buildings in which the Goods may be situated. All costs incurred by MCI in repossessing the Goods shall be paid by the Customer.

8. SPECIAL ORDERS

In the event the Customer has ordered goods which are not standard Goods of MCI, MCI shall be entitled to deliver to the Customer a number of goods which is not exactly the number of Goods ordered by the Customer, but may be 10% more or 10% less than the number of Goods ordered by the Customer. For special orders, MCI shall charge prices which deviate from the Price set forth in Article 5.

9. SPECIAL MOULDS, EQUIPMENT AND/OR TOOLS

In case the Customer has ordered Goods with respect to which MCI must make or use special moulds or tools in order to manufacture the special Goods, the Customer shall bear the hardware costs of the moulds or the special tools, whether or not the moulds or the special tools have been specifically made by MCI. MCI may demand from the Customer to pay in advance the costs related thereto. MCI shall be and shall continue to be the owner of the moulds and tools. The Customer shall not have any right with respect to such moulds or tools.

10. DEFECTIVE GOODS

- For a period of twelve (12) months after the Delivery, MCI agrees to repair or replace, at its option, without charge to the Customer for labour or materials, any defects in material or workmanship in any such good. This warranty is subject to proper storage, installation and operation of the product by the Customer under normal circumstances and in accordance with MCI's instructions. This warranty does not cover parts or components of goods which are not manufactured by MCI. In case of any defect in any such parts of components, MCI shall cooperate with the Customer to obtain the benefits of warranties by manufacturers of such parts of components.
- The warranty specified in Article 10 paragraph 1 above does not apply to defects caused by (i) the Customer when incorporating any of MCI's Goods into a product sold by the Customer, (ii) normal wear and tear, (iii) use for another purpose than the purpose for which the object sold is evidently fit, (iv) any event that cannot be attributed to MCI, or (v) insufficient or negligent maintenance.
- The warranty specified in Article 10 paragraph 1 above shall not apply in a situation where the product sold by MCI is sold "on sample". If MCI has provided the Customer with (a) sample(s) of the product sold before MCI has entered into an agreement with the Customer, MCI only warrants that the Goods sold in accordance with the sample(s).
- All Goods replaced pursuant to the warranties specified in Article 10 paragraph 1 shall become the property of MCI and, to the extent wished by MCI, shall be returned to MCI.
- The warranties as specified in Article 10 paragraph 1 are in lieu of all other warranties, expressed or implied, including without limitation implied warranties of fitness for a particular purpose, and all other warranties which extend beyond the description of the warranty herein. All of which other warranties are disclaimed and excluded.

11. FORCE MAJEURE

- Force majeure shall be deemed to be present if a shortcoming cannot be attributed to the debtor since it cannot be considered to be the latter's fault or to be for its account pursuant to any statutory provision, legal act or generally accepted opinion.
- Shortcomings may be attributable if they are the result of a shortcoming with respect to the enlisting by the latter, for the purpose of the execution of the Agreement of a third party.
- The Customer may only appeal to force majeure if it provides MCI with written notification to that effect as soon as possible after the situation of force majeure having become known, and in any event within forty eight (48) hours, and furthermore under submission of the necessary evidence.
- If, as a result of force majeure, the Customer is unable to perform or is in breach of its obligations under the Agreement for a period exceeding fourteen (14) days, MCI will be entitled to terminate the Agreement with immediate effect and without intervention by the courts, by means of a written notification to the Customer.

12. SHORTCOMING AND DISSOLUTION

- Any attributable shortcoming in compliance with the obligations on the part of the Customer, shall entitle MCI to dissolve the Agreement without prior reminder or notification of default by means of a written declaration to that effect, and/or to request from the Customer that the latter carry out (part of) the performance for its own account or make undone (part of) the completed performance for its own account and at its own risk or condone that MCI and/or a third party perform or make undone (part of) the completed performance for the account and at the risk of the Customer.
- MCI shall be entitled to terminate the Agreement in whole or in part, with immediate effect and without intervention by the courts, by means of a written notification to the Customer, without prejudice to MCI's other rights if (i) any Goods are attached, or (ii) the Customer is being granted temporary or permanent moratorium of payment, or (iii) the Customer has been declared bankrupt, or (iv) if the company of the Customer has been wound up, terminated or in case of change of control, or (v) the Customer fails to offer adequate security for the performance of its obligations.
- In the event of dissolution of the Agreement the Customer shall repay the amounts prepaid to it by MCI under the Agreement within seven (7) calendar days. Failure to do shall oblige the Customer to pay the statutory interest relating to such amount.
- Without prejudice to the provisions of Article 11, MCI shall be entitled to dissolve the Agreement in whole or in part in the event of its regular course of business being interrupted by fire, strikes, sit ins, war or any other cause, including any form of government regulations.

13. LIMITATION OF LIABILITY

- Except as described in Article 10, the liability of MCI or any third party (the service of which party MCI may use in the performance of its obligations under the agreement with the Customer) arising out of any Goods being sold or repairs made pursuant to the Agreement, including but not limited to any liability for breach of warranty or any of the provisions of the Conditions, shall be limited to replacement or repair of defective Goods of which MCI received written notification in reasonable details as to the nature of the defect.
- MCI shall in no event be liable for consequential damage, in any event including (but not limited to) loss of profit and damage resulting from late Delivery, even if MCI may have been aware of any special considerations or circumstances affecting the Customer.
- If, notwithstanding Article 13 paragraphs 1 and 2 above, MCI or any third party shall be held liable towards the Customer pursuant to provisions of mandatory law, MCI or the respective third party shall not be liable for trading losses or consequential damages, nor shall MCI or the respective third party be liable for damages in so far as such damages exceed the Price.
- The liability limitations set forth in these Conditions shall not apply if the damage was caused intentionally or due to gross negligence of MCI.
- Any claim for damages or for the repair or replacement of the Goods and/or the delivery of the missing part, on whatever basis, as well as any right to dissolve the Agreement, shall lapse if the defect or the damage is reported after one (1) year after the Delivery.
- The Customer shall indemnify and hold MCI, any third party which MCI may use in the performance of its obligations under the Agreement and any affiliate of MCI harmless from any and all claims of third parties including claims for damages inflicted on persons or goods by or in connection with the Agreement or by or in connection with the Goods sold or the use thereof.

14. CONFIDENTIALITY

The Customer shall practice confidentiality with respect to the existence and substance of the Agreement between MCI and the Customer and to all knowhow and other information and data concerning MCI or its enterprise as well as any of its group companies or their enterprise which come to the Customer's attention in relation to negotiations concerning the conclusion of an Agreement and/or the execution of the Agreement. This confidentiality duty shall not apply to data and information which already belong to the public domain. The Customer shall oblige in writing any third parties enlisted by it in the execution of the Agreement to a similar confidentiality duty. The Customer shall guarantee that its staff and the aforementioned third parties shall not act in contravention of this confidentiality duty.

15. RIGHT TO MAKE CHANGES

MCI reserves the right to amend any changes in details, design or constructions of the Goods without any notification to the Customer. If MCI shall make appreciable changes in details, design or constructions of the Goods, MCI shall inform the Customer by means of a written notification. The Customer is entitled to reject the amendments, within fourteen (14) after the relevant notification.

16. ADDITIONAL OBLIGATION OF THE CUSTOMER

The Customer shall use safe operating procedures while building the Goods into its own products, including the use of all requisite safety devices and guards, and the Customer shall maintain the same in proper working order. If the Customer fails to observe the obligations of this Article 15, the Customer agrees to indemnify and hold MCI or any

of its affiliates harmless from any liability or obligation incurred by MCI to persons injured directly or indirectly in connection with the operation of the Goods. The foregoing indemnification shall in no event be deemed to have expanded MCI's liability for the Goods. If the Customer sells a product in which any of MCI's Goods has been incorporated, the Customer is obliged to enter into an agreement with its customers with respect to the obligations set forth in this Article 15.

17. INTELLECTUAL PROPERTY RIGHTS

MCI claims intellectual property rights in the items and information associated with any quotation and any purchase order issued by the Customer resulting from any quotation. Notwithstanding the foregoing, drawings and technical information are issued in confidence for engineering information and mutual assistance purposes only and may not in any way be publicly disseminated, reproduced or used by the Customer without MCI's prior written consent and shall be returned when its purpose has been served or upon MCI's request.

18. REPLACEMENT OF NULLIFIED OR VOIDED PROVISIONS

In the event of any provision contained in the Conditions being nullified or voided, the other provisions of the said Conditions shall remain fully in force, whilst MCI and the Customer shall enter into negotiations in order to agree new provisions with respect to the nullified or voided provisions complying as closely as possible with the object and the purport of the nullified or voided provisions and departing as little as possible from the nullified or voided provisions.

19. COSTS

All costs incurred in rem or otherwise, including but not restricted to the costs actually incurred in relation to legal assistance to be incurred by MCI in the enforcement of rights pursuant to the Agreement shall be for the account of the Customer.

20. GOVERNING LAW AND CHOICE OF FORUM

1. All Agreements shall be governed by and construed in accordance with the laws of the P.R. China.
2. The applicability of the CISG is hereby expressly excluded.
3. The applicability of the 1980 United Nations Treaty on International Purchase Agreements Relating to Moveable Goods is hereby expressly excluded.
4. All disputes between MCI and the Customer pursuant to or relating to the Agreement shall be submitted to the China International Economic and Trade Arbitration Commission (CIETAC) Shanghai Branch for arbitration which shall be conducted in accordance with CIETAC's arbitration rules in effect at the time of applying for arbitration. The arbitral award is final and binding upon both parties.