

GENERAL PURCHASE CONDITIONS OF KOLEKTOR GROUP

1. General

1.1 General conditions are valid exclusively and as a whole, and the companies of Kolektor Group (in the further text "company") do not acknowledge any eventual general conditions of the supplier except if otherwise agreed upon in written form. General conditions are further valid in case the company accepts or pays for the goods or services of a supplier in spite of the fact that the company has knowledge of eventual different general conditions of the supplier. Any proposal for additional or different terms or any attempt by supplier to vary in any degree any of the following terms is rejected.

1.2 These general conditions are applicable in all future business dealings between the company and the supplier.

2. Concluding of contract and introducing of changes to the contract

2.1 Orders, contract, and recalls, as well as changes in these are to be submitted in written form. Orders and recalls can be also given per fax or via EDV system.

2.2 Any eventual oral agreements are to be confirmed by the company in written form otherwise such oral agreements are deemed invalid. The same goes for all oral agreements after the conclusion of the contract, especially for those changing or supplementing the contract resp. these general purchase conditions.

2.3 In case the supplier does not confirm an order within 14 days after receipt, company is no longer bound to its order. Delivery recalls are binding in case supplier does not object to the recall within 3 days after receipt of recall.

3. Deliveries of goods resp. realization of services

3.1 Supplier is to deliver goods or realize service in accordance with the contract resp. the order on part of the company. Deliveries deviating from the order are to be approved in writing by the company beforehand.

3.2 The decisive moment for punctuality of deliveries is deemed arrival to the agreed place; with deliveries including mounting of equipment and with services the decisive moment for punctuality is deemed realisation of services. In case not otherwise determined, the supplier is to supply the goods in accordance with the »Delivered Duty Unpaid - DDU, Incoterms 2000 clause«.

3.3 In case of delivery including mounting/arranging of equipment the supplier is to assume all measures ensuring safety and punctuality of realization of delivery, provide all means required for realization of the delivery, and bear all here from resulting costs.

3.4 In case supplier is in delay, the stipulations under the law apply. In case supplier expects resp. is familiar with certain circumstances impairing the punctuality of its delivery, deviations from agreed upon quality of goods/services resp. other circumstances possibly endangering successful realization, the supplier is to inform the company in writing on the matter immediately. Despite the acceptance of the delayed delivery, the company retains all rights appertaining to the company in case of delayed delivery. Company has the right to reject partial deliveries except if otherwise agreed upon.

3.5 In case the supplier does not prove otherwise, the data as determined by the incoming control of the company apply for quantity, weight, and dimensions.

4. Dispatch and invoices

4.1 An invoice is to be sent to the address stated in the order resp. the recall. The invoice is to include order date and number, and invoice date and number, supplier tax number, and accurate address of the customer. VAT is to be given separately on the invoice.

5. Prices and transfer of risk

5.1 If not otherwise determined, price includes all costs and taxes. Danger of destruction passes over to the company in the moment as the goods are taken in by the company resp. by its authorized representative on an agreed upon place of acceptance.

5.2 There will be no adjustments to the prices for supply for increases in supplier's costs, including, but not limited to, increases in the costs for labour, material or overhead.

6. Payment conditions

6.1 If not otherwise specified, company pays the invoice as per its choice, either next day after receipt of invoice- 5% discount or within 15 days- 4% discount, 30 days- 3,5% discount, 45 days- 2,5% discount, 90 days- 1,5% or 120 days - net. Payment term begins upon receipt of a correctly issued invoice, however not sooner than the first day following the accurately realized delivery of goods /realization of service.

6.2 Payment of the invoice does not mean that the delivery/service was realized in accordance with the contract. In case there are failures detected in goods/service, company may withhold payment of a proportional invoice amount until said failures are eliminated resp. a final agreement is made with the supplier.

7. Warranty

7.1 Quantity and quality acceptance of goods / services is complete when common in normal course of actions. For this period the supplier explicitly renounces enforcement of objections under the title of overdue reproving of failures. Obvious and hidden failures of goods/services shall the company communicate to the supplier within 8 days after disclosure of these.

7.2 Supplier gives a 24-month warranty, except when a longer warranty period is determined under the law. The warranty term begins with transfer of risk to the company.

7.3 In case not otherwise determined under item 7, stipulations of the law apply for material and legal failures. Company has the right to choose the method for the supplier to eliminate the failures on goods/service.

7.4 In case supplier does not introduce measures for eliminating of failures immediately after the failure notice is submitted, especially in emergency cases (as production stop or major damage is to be prevented), company has the right to eliminate the detected failures on itself or through third parties, while all thereof resulting costs are to be covered by the supplier. In case of legal failures, supplier shall ensure that company's position towards third parties is such as if the supply was free on any legal failures.

7.5 All costs and damage resulting from failures in goods/services are carried by the supplier. In case customers of the company return products manufactured by the company due to failures in goods/services or if the price of products is reduced or if the company is impaired in any way, company has the right to claim repayment of all such damage from the supplier while the terms for failure rebuke need not be considered. In such cases, company will issue a Complaint Protocol and account for costs in accordance with the price list adopted by the Kolektor Group Management and stated on the Complaint Protocol Form.

8. Liability and insurance

8.1 In case any costs result for the company due to producer liability (including cost from legal process and cost for eventual recall of company's products from the market), these are to be refund by the supplier if and in case these costs result from a failure in supplied goods/realized service on part of the supplier.

8.2 Supplier is to conclude an appropriate insurance for its liability as common for the automotive industry. Upon request of the company, supplier is to submit appropriate proof on fulfilling of this requirement.

9. Hazardous substances

9.1 Supplier ensures that the goods delivered comply with all regulations from the field of environmental and health protection valid in the EU and in the USA.

10. Goods handed in to the supplier

10.1 Materials, parts, packaging, and other items the company hands in to the supplier in order for the supplier to fulfil the order, remain property of the company, and are kept for the company by the supplier. Supplier may apply the handed in items only for the purpose of fulfilling of the company's order. In case supplier used these items for manufacture of a product, company acquires co-property right on such product.

11. Documents and confidentiality

11.1 Tools, samples, models, forms, profiles, drawings, regulations for control, norms, printed templates, gauges, and other items and information the company gives to the supplier must not be forwarded to any third person and must not be used for purpose other than specified in this contract without prior written consent of the company.

11.2 Supplier shall keep as business secret all business and technical documents made available to it on part of the company (including know-how from these documents). The obligation of the confidentiality lasts for the entire duration of business cooperation between supplier and the company as well as after termination of this relation up to the moment this info becomes public good, however at least for 5 years after termination of cooperation. The exclusive proprietor of submitted documents and info remains the company. Without any prior written consent, supplier must not forward this info or documents to third persons. Upon request of the company, supplier shall immediately return all received documents (including all eventual photocopies). Company reserves all rights to and from the submitted info and documents (including industrial property right).

11.3 Supplier must not supply third parties with products it made on basis of documents (drawings, samples, etc) or by means of tools made available to it by the company and must not use such products for proper need.

12. Spare parts

12.1 Supplier obliges to inform the company on an unintentional stopping of production of a certain product type it supplies to the company at least 2 years prior to intended stopping of production. At the same time the supplier obliges to supply the company with products upon its written request for at least 5 more years after initially intended stopping of production.

12.2 Supplier ensures to supply spare parts under appropriate prices for further 10 years after stopping of regular serial production.

13. Assignment of accounts receivable

13.1 Supplier must not - without any prior written consent - assign accounts receivable to third persons (pactum de non-cedendo). Company shall not refuse to give its consent without a justified cause.

14. Term and Termination

14.1 In case one or several stipulations of this contract become invalid, this does not influence the validity of other stipulations. Parties shall replace the now invalid stipulation with a valid one, such closer to the initial intent of all parties in the economic sense.

14.2 Competent for solving of eventual disputes is exclusively the Slovene court, competent by the company seat. The Law of the R of Slovenia is applied, without any stipulations of the private international law. In case of international sale of goods, the application of the Vienna convention on the international sale of goods is excluded entirely.

14.3 These general purchase conditions are published on the homepage of the Kolektor group at http://www.kolektor.si/pic/pdf/general_purchase_conditions_of_kolektor_group.pdf and are valid since November 1st, 2008.