

The following PURCHASE ORDER TERMS AND CONDITIONS shall apply to the contractual relationship between the supplier and the ordering Tower Automotive company (in the following called 'Customer') unless otherwise agreed in writing in outline agreements, orders and individual agreements.

Other General Business Terms and Conditions or deviating provisions are hereby excluded, even if not expressly objected to by the Customer.

The only exception to the above is a simple and extended reservation of ownership and a reservation of an overdraft facility. The Customer hereby accepts delivery under such a reservation of ownership and its extensions.

The Customer's unreserved acceptance of goods or services shall by no means indicate an acceptance of the supplier's deviating conditions.

Any notification of the Customer by the supplier that indicates the former's acceptance of deviating delivery conditions in case of non-objection shall not be legally effective.

1. Delivery contract

- 1.1 As a rule, a delivery contract shall be entered into by a written order and the supplier's written order confirmation. The same shall apply to order modifications or extensions. For delivery calls or their modifications, data telecommunication shall suffice.
- 1.2 A contract between Customer and supplier shall also be entered into if the supplier does not object in writing to an order placed by the Customer within one week upon receipt.
- 1.3 For products that are consumed successively an outline agreement shall define the product, the place of delivery, the price and other conditions of purchase (transport, packaging etc.). The delivery data and delivery volumes shall be periodically defined by delivery calls. The supplier is hereby contractually bound to observe the volumes and dates as defined in such calls.
- 1.4 The price stated in the order and/or the outline agreement is binding and, unless agreed otherwise, includes the costs of packaging, insurance, freight and transport to the delivery address and/or place of use as given by the Customer.
- 1.5 Delivery including delivery at the delivery address and/or place of use as given by the Customer shall take place at the supplier's risk.
- 1.6 The supplier is hereby contractually bound to state on all dispatch notes - at minimum and analogous to the order - the order number, order date, the volume or number of items dispatched, the place of discharge and – if available – the material number. Should such information be missing this may lead to a return of the consignment, the costs of which shall be borne by the supplier.

- 1.7 The supplier may – unless the supplier has fulfilled his obligation completely – demand reasonable order modifications (e.g. regarding construction, design, delivery time etc.) in writing. Any consequences arising from such modifications (e.g. additional or lower costs, delivery time etc.) have to be mutually agreed between the supplier and the Customer provided the Customer's prior written consent to such other modifications.
- 1.8 Sub-contracts placed by the supplier require the Customer's prior written consent.
- 1.9 If the supplier suspends payment or should a petition to commence insolvency proceedings be filed, the Customer is entitled to withdraw from the unfulfilled part of the contract without any prejudice to other rights arising from the delivery contract.

2. Delivery dates / penalty for non-fulfilment

- 2.1 The delivery date in the order is binding. Punctual delivery means receipt of the goods at the delivery place/place of fulfilment as designated by the Customer or mutually agreed in writing.
- 2.2 Unless agreed otherwise, in case of default in delivery the supplier is contractually bound to pay the Customer compounded damages of 0.5 % per day in default - but no more than 5% in total – and of the value of that part of the delivery which was not delivered in time or could not be used as contracted. Payment of compounded damages are without prejudice to further claims for damages being filed by the Customer.
- 2.3 The acceptance of a delayed delivery does not constitute a waiver of such claims.

3. Delivery / transfer of risk / delivery disruptions

- 3.1 The goods shall be delivered to the place of use or delivery address as given in the order.
- 3.2 The risk is transferred to the Customer upon his acceptance of the delivery and its confirmation.
- 3.3 Any acceptance of a delivery or service shall take place subject to a later inspection of materials and/or quality. The Customer shall notify the supplier of any defects having been ascertained by due process of business forthwith. In so far, the supplier hereby waives his right to object for reasons of a delayed notice of defect¹.
- 3.4 Unless agreed otherwise in writing, partial deliveries or services are not allowed. The Customer is therefore entitled to cancel remaining volumes.

¹ In Germany: waiver of an objection for reasons of a delayed notice of defect pursuant to § 377 HGB (Commercial Code). In Belgium: waiver of an objection for reasons of a delayed notice of defect pursuant to "transportreglementation" and Vienna Treaty

- 3.5 Force majeure, industrial action, measures taken by the authorities (unless caused by the supplier) or other inevitable incidents shall exempt the supplier from his obligation of punctual delivery of the object of delivery for the time of the disturbance.
- 3.6 In case of threatening delivery delays, the supplier has to inform the Customer forthwith by giving the reasons and the expected duration of the delay in writing.
- 3.7 In case of delivery backlogs and/or repeated supply difficulties for whatever reason, the Customer is entitled to demand, without prejudice to other repercussions, an appropriate stockpiling of objects ready for delivery. All possibly incurred costs shall be borne by the supplier.

4. Inspection

- 4.1 If the order volume includes an installation or assembly or putting on stream of the object of delivery as an additional service, this requires a formal, written inspection by the Customer. In these cases, that such an inspection has not ascertained any defects is the precondition for the supplier's claims, which only become effective after the inspection.
- 4.2 If an inspection is required, the supplier has to deliver the object of delivery in such time enabling the Customer to inspect the object of delivery until the agreed delivery time. The supplier shall only have fulfilled his delivery obligation after the inspection.
- 4.3 Payments effected by the Customer prior to the inspection do not mean that such an inspection of the object of delivery has already taken place.
- 4.4 If a preceding test stage has been agreed for the inspection, Section 4.2. shall apply accordingly.

5. Quality/documentation

- 5.1 Upon the Customer's request, the supplier shall put at the former's disposal full information upon the object of delivery's composition if this is required for the observance of legal conditions or conditions imposed by the authorities either abroad or domestically.
- 5.2 If the Customer demands initial samples or reference samples, the supplier may only start with the production of the object(s) of deliveries after a corresponding written approval by the Customer has come in.
- 5.3 For his deliveries, the supplier has to comply with the state of the art, applicable safety regulations and the agreed technical data, those contained in the order in particular. This especially applies to all work done on the Customer's premises. The supplier shall operate an up-to-date QA and QM system. All modifications, even minor ones, to the object of delivery and/or the production process require the Customer's prior written consent. The kind and scope of the tests and the measuring

and test equipment and methods have to be agreed between the supplier and the Customer.

- 5.4 For all parts specially marked (e.g. parts requiring documentation) in the technical documents or by separate agreements, the supplier also has to document when, how and by whom the objects of delivery have been checked with regard to their qualities requiring documentation and what results such required quality tests have yielded. These inspection documents have to be kept for 15 years and submitted to the Customer upon his request.
- 5.5 For the initial sample inspection and the inspection of qualities requiring documentation, we hereby refer to the VDA publication “Sicherung der Qualität von Lieferungen – Lieferantenauswahl/Produktionsprozess – und Produktfreigabe/Qualitätsleistung in der Serie” in its latest edition and/or the QS-9000 publication “Produktionsteil-Freigabeverfahren (PPAP)” in its latest edition. Irrespective of the foregoing, the supplier has to inspect the quality of the objects of delivery constantly. The contracting parties shall exchange information on the possibilities of improving the quality of the objects of delivery at all times.
- 5.6 The Customer is hereby contractually bound to a free counter-inspection of the initial samples submitted with the initial sample report. If an incorrect initial sampling leads to its full or partial repetition, the supplier shall reimburse SRZ-AG the additional costs thereby incurred, which are hereby agreed to come in at a compounded amount of Euro 200 per each event.
- 5.7 The supplier guarantees that the objects of delivery comply with the specifications as contained in the order. The Customer charges Euro 50 for each letter of complaint.
- 5.8 The supplier has to grant the Customer and its customers access to all product-relevant production, inspection and storage sites and quality-relevant documents. The same shall apply to authorities responsible for road safety, exhaust emission regulations etc. Appropriate restrictions imposed to keep business secrets safe are hereby permitted.

6. Payments/assignments

- 6.1 Payment shall only be effected after receipt of the object of delivery as contracted and receipt of a proper and accountable invoice.
- 6.2 Deliveries made prior to the agreed delivery date shall only be deemed delivered as of such agreed delivery date.
- 6.3 Payment is due after receipt of the goods as contracted and receipt of a proper and accountable invoice. Payments due shall be effected as of the 25th of the following month at a discount of 3% or within 90 days net cash. In case of an acceptance of early deliveries, the due date shall be based upon the agreed delivery date.
- 6.4 Payment shall be done by cheque or money transfer.

- 6.5 If down payments have exceptionally been agreed upon, these shall only be effected against a banker's guarantee according to the Customer's conditions.
- 6.6 Any assignment of the supplier's claims to third parties shall require the Customer's prior written consent.
- 6.7 The Customer is entitled to set off payable amounts against claims payable to a company in which he has an interest of at least 50 per cent.
- 6.8 In case of a faulty or incomplete delivery, the Customer is entitled to withhold the payment until a proper fulfilment of the contract.
- 6.9 The invoice to the Customer has to be issued in duplicate (copy to be marked). It has to be accountable and include the supplier number, date and number of the order and/or outline agreement, volume and material number, number and date of the delivery note, mode of dispatch and the price/volume units of the invoiced goods as contracted. Invoices that do not meet the above-mentioned requirements may be returned.

7. Warranty

- 7.1 The supplier's warranty period commences upon the Customer's inspection of the object of delivery according to section 3.3 above.
- 7.2 If within the framework of the production process the Customer ascertains defects, the supplier shall have the opportunity to sort out, rework or redeliver such defective objects of delivery, unless this is unreasonable for the Customer. If the supplier is unable to do this or does not comply with such a request forthwith, the Customer may withdraw from the contract as far as these goods are concerned and return the goods to the supplier at the latter's risk and expense. In urgent cases, the Customer or a third party may rework the goods after the supplier has been informed of such procedure. The costs thus incurred shall be borne by the supplier. If the next delivery of same goods is also defective, the Customer may also withdraw from the contract with regard to the as yet unfulfilled remainder of the contract.
- 7.3 The Customer's notice of defect suspends the warranty period with regard to the defective object of delivery, the repair/exchange of which will let the warranty period recommence.
- 7.4 The warranty period shall apply irrespective of the service life of the object of delivery.
- 7.5 The supplier's liability shall also apply when he is not the manufacturer of the object of delivery or parts of it.
- 7.6 Upon the supplier's request, the Customer has to put at the former's disposal all parts to be exchanged by him at his expense. The Customer shall keep such parts for 30 days at max, after which period the Customer may either return them to the supplier at the latter's expense or demand a storage fee or scrap them without any prejudice for his warranty rights.

- 7.7 The Customer reserves the right to charge a rework and/or return processing fee of Euro 100. This shall be without prejudice to an assertion of claims for costs incurred directly.
- 7.8 The Customer is also entitled to all and full legal warranty claims. He is entitled to demand from the supplier either a remedy of the defects or a substitute delivery, in which case the supplier has to bear the respective expenses. This is without prejudice to an assertion of claims for damages by the Customer.
- 7.9 Claims arising from the supplier's warranty shall come under the statute of limitations after 24 months from a car's initial registration or spare part installation, but 30 months after acceptance of delivery according to Section 3.3 to the Customer at the latest.

8. Property rights

- 8.1 The supplier shall be liable for claims arising from a contracted use of the objects of delivery constituting an infringement of property rights and property rights pending.
- 8.2 The supplier exempts the Customer from all liability for claims arising from the use of such property rights if the supplier has not manufactured the object of delivery according to the Customer's specifications and, when developing these objects of delivery, could not have known that property rights are infringed thereby. This is without prejudice to further claims for damages by the Customer.
- 8.3 The supplier shall inform the Customer of the use of published and unpublished, own and licensed property rights and property right pending prior to their allocation and especially if he intends to charge licence fees.
- 8.4 The contracting parties are hereby contractually bound to inform each other of emerging risks of infringement and alleged cases of infringement forthwith and to provide each other with the opportunity to counteract such claims in mutual agreement.

9. Production facilities / drawings /etc.

- 9.1 Production facilities like swages, female dies, gauges, models, samples, tools, drawings and so forth that the Customer put at the supplier's disposal have to be returned to the former upon his request.
- 9.2 The production facilities put at the supplier's disposal or having been manufactured according to the Customer's specifications must not be reproduced, sold, pledged, given in security, assigned otherwise or used for third parties without the Customer's prior written consent. The same shall apply to the objects of delivery manufactured with these production facilities.
- 9.3 Drawings, models, stencils, samples, tools and other production facilities and know-how put at the supplier's disposal by the Customer or paid for by the latter or becoming known during the order processing may only be used for deliveries to third

parties with the Customer's prior written consent. They must not be assigned or made accessible to unauthorised third parties. Any reproduction of such objects is only permissible within the framework of business requirements and copyright regulations.

9.4 Sub-contractors/suppliers have to be obliged accordingly.

10. Confidentiality/advertising

The supplier is hereby contractually bound to treat all undisclosed commercial and technical details he gets to know through the business relationship as a business secret.

11. Insurance

The supplier is hereby contractually bound to take out appropriate insurance policies which cover all risks incurred in connection with the object of delivery (especially product liability, recall actions etc.) and to submit such policies to the Customer upon his request.

12. Environment

The supplier is hereby contractually bound to render his services in constant consideration of the relevant national and international safety and environmental standards, laws and regulations and the applicable state of the art. The delivery and installation of machines requires compliance with the respective country's laws and regulations. Within the bounds of economic reason, the supplier shall see to an environmentally friendly performance, which shall include the selection of ecological and recyclable materials, ecologically demolishable constructions and energy and resources-saving solutions. Materials and formulations whose application is legally prohibited must not be used. Special account has to be taken of the directive 2000/53/EC on old cars and the VDA list of materials to be declared. The supplier is hereby contractually bound to enter all materials used in the manufacture of cars into the material data system of the automotive industry (IMDS).

13. Miscellaneous

13.1 The PURCHASE ORDER TERMS AND CONDITIONS shall always apply in their latest version as published at www.towerautomotive.com, even if the order was placed at time when a previous version was still applicable.

13.2 The supplier shall mark objects of delivery as proscribed by the Customer.

13.3 Unless agreed otherwise, Tower Automotive Germany's Quality Guideline Suppliers (Qualitätsrichtlinie Lieferanten) is hereby agreed.

13.4 Unless agreed otherwise, all transactions are exclusively subject to the law of the country where the respective Customer is based.

13.5 The place of jurisdiction for registered traders is the Customer's HQ's location².

13.6 If individual regulations in these Terms and Conditions or individual provisions in a contract signed on the basis of these Terms and Conditions should become invalid or unenforceable, the validity of the other regulations shall remain unaffected. The invalid, ineffective or unenforceable regulation has to be replaced by one taking account of the shared will of both parties and with the business purpose in the regulation to be replaced as fully as possible.

Handed out

Date:

.....
Name and signature of responsible Tower employee

In Italy:

The undersigned company declares to accept the Purchase Order Terms and Conditions Europe of Tower Automotive above.

Date:

.....
Name and binding signature of supplier

The undersigned company declares with reference to article 1341 of Italian Civil code additionally to accept the clauses 1.2, 1.9, 2.2, 3.3, 5.6, 5.7, 6.6, 6.7, 6.8, 7.3, 7.6, 7.7, 13.4, and 13.5 of the Purchase Order Terms and Conditions Europe of Tower Automotive above.

Date:

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Name and binding signature of supplier

² In Belgium: The court of Gent is the place of jurisdiction