

October 2013

**General Terms and Conditions of Sale
of
Hella Middle East FZE**

1. Scope

1.1 Any supply and performance by Hella Middle East FZE (hereinafter referred to as "HELLA") shall exclusively be regulated by the General Terms and Conditions of Sale at hand (hereinafter referred to as "GTCS").

1.2 These GTCS shall always form an integral part of any offer made for and any contract concluded with customers of HELLA without the requirement to be attached to each subsequent offer.

1.3 These GTCS may be varied by HELLA at any time and delivered to its customer (the "Customer") in case of such amendment. The amended and updated version of the applicable GTCS shall be available on the webpage of HELLA.

1.4 The Customer has read, understood and accepted the GTCS and has expressly confirmed its acceptance by accepting the sales order of HELLA.

1.5 Failure of HELLA to object to any provisions contained in any order or other writing of the Customer contradicting these GTCS shall not be construed as a waiver of these GTCS or part of them or shall be construed as an acceptance of any terms and conditions proposed by the Customer.

2. Conclusion of contract

Sales order shall be considered as the contract once it has been sent to the Customer (hereinafter referred to as "Contract").

3. Offers

3.1 Any illustrations, drawings, calculations, information and further documents and data – notwithstanding on which data media they are recorded – and copyright shall be the property of HELLA and addressed to the Customer who has requested such offer only; third persons shall have no access to them. Any transfer to third persons shall be subject to prior explicit and written approval by HELLA.

3.2 An order placed by the Customer may not be withdrawn, cancelled or altered prior to acceptance by HELLA.

3.3 The specification for the goods shall be those set out in HELLA's sales documentation unless varied expressly in the Customer's order (if accepted by HELLA).

3.4 HELLA reserves the right to make any changes in the specification of the goods which are required to conform to any applicable safety or other statutory or regulatory requirements.

4. Prices

4.1 Calculation of the deliveries is based on the prices determined by HELLA effective at the day of delivery. Specified prices are calculated ex warehouse, excluding costs for dispatch and/or customs duty and other related costs which considered as a part of any sale transaction.

4.2 HELLA reserves the right to adequately raise prices, if the costs increase after the conclusion of the Contract, in particular due to an increase of labour costs, governmental fees i.e. for tariff resolutions or changes of material costs.

5. General Payment Terms

5.1 Invoices by HELLA are payable by prepayments unless otherwise agreed between the Customer and HELLA.

5.2 Payments shall be made by bank transfer to HELLA's account, unless otherwise agreed. Banks commissions or currency exchange differences are borne by the Customer.

5.3 Sales representatives and field staff are not entitled to receive payments even if they carry receipts.

5.4 Moreover, HELLA shall be entitled to demand prepayments for open deliveries and to withdraw from the Contract after a reminder and an adequate period of grace, or to damage claims for non-performance. Furthermore, after a reminder and expiry of an adequate period of grace, HELLA at its own sole discretion may enjoin the Customer from reselling the good and may return the delivered good at the expense of the Customer.

5.5 The retention of payments or the set-off with counterclaims of the Customer are excluded, unless HELLA explicitly and in writing admitted them or unless they have been approved in a final legally binding way.

5.6 In the event the Customer fails to effect any payment on its due date, the total sum remaining unpaid under the respective Contract/sales order, becomes immediately due and payable. The Customer shall then pay the whole amount without even HELLA revises its invoices.

6. Retention of Title

6.1 HELLA reserves the title to all delivered goods until payment is completed; in this context, all deliveries are considered to be a coherent delivery transaction. In case of a running account, the reserved title is considered to cover the balance of account of HELLA.

6.2 Prior to the due date of payment, the Customer shall maintain in its custody an inventory of the goods delivered which shall be prominently identifiable at all times. The Customer shall mark the goods as the property of HELLA (if not already marked by HELLA) and shall not remove, obliterate or in any manner alter any label, mark or other means HELLA may have of identifying the goods.

6.3 The Customer is obliged to treat the goods with care for the duration of the retention of title.

6.4 If the Customer connects the goods with other items in such a manner that the connected goods are legally considered to be a single item, and if the other item is considered to be the main item, the Customer by now transfers the correspondent joint ownership to HELLA, as far as the Customer is the owner of the main item.

6.5 In case the Customer sells the delivered goods according to the terms of the Contract, by now he assigns to HELLA all claims against the third customer deriving from the purchase, including all subsidiary claims until complete repayment of all these claims. In case of sound cause (such as default of payment) and, if HELLA so requires, the Customer shall disclose the assignment to the third parties including purchaser and shall inform HELLA about all necessary facts and documents to assert the claims.

7. Terms of Delivery / Default

7.1 HELLA shall be entitled to partial delivery.

7.2 Terms of delivery and delivery dates are not binding, unless the parties have otherwise agreed upon in writing.

7.3 Delay in delivery shall not relieve the Customer of its obligations to accept such delivery. Under no circumstances shall HELLA be liable to the Customer for any special, incidental or consequential damages due to any delay in delivery.

7.5 HELLA may assign the Contract or any part of it to any person, firm or company.

8. Dispatch/Passing of Risk

8.1 The dispatch of goods – even with partial delivery – is made on account and at the risk of the Customer. This rule also applies in case HELLA should have agreed to cover the freight charges. The risk passes to the Customer at the time the good is handed over to the carrier.

8.2 All sales from HELLA are considered as export. HELLA provides invoice, delivery notes, and custom papers which shall be signed by the Customer and made in two copies for both parties. The Customer shall be obligated to provide all other documents necessary for the export (i.e. authorisations for export and custom etc.) at his own expenses. HELLA shall not be liable for legal admissibility of the export of the goods and accordance with legal and technical provisions of the country of importation. Furthermore, HELLA shall not be liable for the standard of goods according to the technical standards required by the country of importation.

8.3 HELLA is not a part of the shipping/ cargo process nor its conditions and terms which shall be specified by the carrier.

9. Warranties for Defects

9.1 Upon delivery or collection of any goods the Customer shall inspect the goods for any damages and defects. Any claim by the Customer against HELLA for any damage or defects of any goods delivered or collected shall be made in writing within 7 working days upon arrival to the Customer. After the lapse of such period no claim shall be heard anymore.

9.2 If the reclamation is justified and made in due time, HELLA shall remedy defects at its own choice, generally by charge free replacement or repair (“ex post performance”). HELLA shall not be liable to the Customer for any consequential loss or damage arising out of or in connection with any act or omission of HELLA related to the goods.

9.3 Claims for defects do not arise, if the defect is based on an infringement of instructions regarding operation, maintenance, or installation, improper or inappropriate use, incorrect or careless treatment, natural deterioration or improper encroachment upon the good by the Customer or any third person.

9.4 Information given in catalogues, specifications or other details on the product shall not constitute guarantees for condition or durability, unless they have been identified in the individual case as guarantees in writing.

9.5 HELLA is not responsible for any damages or defects caused by the carrier or the collection process.

9.6 No goods may be returned to HELLA without the prior agreement in writing from its side.

10. Force Majeure and Excusable Impossibility

10.1 In case of force majeure and excusable subsequent impossibility by HELLA or its contractors, such as but not limited to operational faults of traffic or in business, defect of energy, strike or lockout, fire, floods, storms, riots, civil commotion, war or death of important people of state, where HELLA cannot or hardly implement its obligations, HELLA shall be entitled to delay delivery for the time of the disturbance and the scope of its effects and HELLA shall not be held responsible.

10.2 In such cases, the Contract shall be suspended during the entire duration of the force majeure event after a written notice by HELLA to the Customer.

11. Suspension

11.1 In case of suspension of the Contract, any reasonable charges or expenses incurred by HELLA in connection therewith shall be borne by the Customer who shall reimburse HELLA forthwith upon submission of the relevant invoices. Said charges and expenses shall include but not be limited to handling, storage, insurance and labour costs incurred by HELLA.

11.2 Should this suspension last for more than 60 days, then HELLA shall be entitled to terminate the contract and shall be indemnified as per the Termination clause hereunder.

12. Termination

12.1 In case the Customer breaches any of its major obligations, such as but not limited to stop of payment or if the Customer is adjudged bankrupt and insolvency proceedings have been opened or it applied for a judicial or non-judicial composition proceeding, and if the Customer fails to remedy it after a reasonable time, upon being served a written notice to do so by HELLA, or after a suspension according to the "Suspension" or "Force majeure" clauses here above, HELLA shall be entitled to withdraw from the part of the Contract that has not yet been performed.

12.2 In the event of termination of the Contract, the Customer will pay HELLA for all goods delivered up to date of termination, suspension or force majeure event. However, HELLA reserves the right to invoice an additional 10-20% of the total amount due as liquidated damages, depending on the grade the Contract has been fulfilled already, the total value of the Contract and related administrative expenses as a result of the non-execution of the full Contract. The calculation of such damages shall be at the sole discretion of HELLA. Advance payments made by the Customer to HELLA may be used and withheld until final payments and compensations have been made.

13. Governing Law and Arbitration

13.1 The sale and delivery of goods by HELLA, the execution and interpretation of Contract and the Terms & Conditions shall be governed and construed in accordance with the laws and regulations applicable in the United Arab Emirates.

13.2 If a dispute arises out of or in connection with the GTCS or any individual agreement or any question as to their existence, validity or termination, HELLA and the Customer shall first seek to settle such dispute amicably. In the event such dispute cannot be settled within a period of 30 days

calculated from the date of notice of such dispute given by either HELLA or the Customer, either HELLA or the Customer may refer the dispute in principal to Dubai International Financial Centre (DIFC) Courts as per the laws and regulations of DIFC Authority (DIFCA). In the event a foreign country is involved in the dispute, either HELLA or the Customer may refer the dispute to Dubai International Financial Centre – London Court of International Arbitration (DIFC-LCIA) Arbitration Centre located in Dubai, United Arab Emirates. Due to the nature of the dispute the arbitration shall be held in English as per the Rules of Arbitration of DIFC, in Dubai, United Arab Emirates, by 1 or 3 arbitrators.

14. General

14.1 In the event one clause should be considered as null or void, the entire GTCS shall be considered as valid.

14.2 In the event of invalidity or illegality of one or more provisions of these GTCS or a confirmed sales order, such provisions shall be substituted by respective provisions with a valid formulation which comes as close as possible to the economic meaning and purpose of the provisions to be substituted.

14.3 HELLA may add or remove any condition/ terms to its proposals and offers to be sent to its Customer depending on the goods or products nature.