

Purchasing Conditions MAGNA....., [Address] (Hungary)

1. General Terms / Scope

- 1.1 The legal relationship between the SUPPLIER and MAGNA shall be determined by the following general terms and conditions ("Purchasing Conditions") and, if any, additional terms agreed between the SUPPLIER and MAGNA.
- 1.2 The Purchasing Conditions apply exclusively; contravening or differing terms and conditions of the SUPPLIER do not apply, unless MAGNA has accepted such conditions in writing. The Purchasing Conditions apply also in cases, where MAGNA accepted the deliveries made by the SUPPLIER and paid for such deliveries, even if MAGNA was aware of SUPPLIER's contravening or differing terms and conditions.
- 1.3 The Purchasing Conditions also apply for all future orders of MAGNA and until MAGNA issues new purchasing conditions, even if MAGNA does not make reference to the Purchasing Conditions in each order.

2. Conclusion of the Contract / Orders and Acceptance / Changes and Amendments

- 2.1 Supply contracts, orders and acceptances, order releases and other transactions, as well as any changes and amendments thereof have to be made in writing. Orders and order releases may also be issued by electronic data-transfer.
- 2.2 Non-written agreements made prior to, at or after the conclusion of the contract, especially subsequent amendments or changes of the Purchasing Conditions (including this in-writing-provision-clause), as well as any kind of ancillary or collateral agreements are subject to the written confirmation of MAGNA.
- 2.3 Cost estimates of the SUPPLIER are legally binding and costs for such estimates shall not be reimbursed by MAGNA, unless otherwise agreed in writing.
- 2.4 If the SUPPLIER does not accept MAGNA's order within fourteen days after its receipt, MAGNA has the right to cancel its order.
- 2.5 To the extent reasonably acceptable for the SUPPLIER, MAGNA may request from the SUPPLIER changes of the product to be made by the SUPPLIER relating to its construction and manufacturing process. The impact of these change requests, especially with respect to additional costs or the reduction of costs and to delivery dates, are to be resolved in an appropriate and mutually agreeable manner. Any changes made by the SUPPLIER are subject to the prior written approval of MAGNA.

3. Product Price and Payment Terms and Conditions

- 3.1 The SUPPLIER shall fill in the product price into the copy of MAGNA's order and shall return the copy to MAGNA, in cases where the price is not determined at the time of MAGNA's order. As far as MAGNA has not accepted the price in writing, a valid contract shall not come into force. All additional charges (customs, package, transport, insurance) have to be stated separately in the SUPPLIER's offer and shall be borne by the SUPPLIER (except the applicable value added tax (VAT)), unless otherwise agreed in writing. Any increase of the product price including additional charges is subject to the prior written approval of MAGNA.

- 3.2 Unless the parties have agreed otherwise in writing, MAGNA shall pay the product price after the receipt of the appropriate invoice on the 15th of the second month following the delivery minus 2 % discount or net on the 25th of the second month following the delivery.

- 3.3 MAGNA may exercise its setoff and retention rights in accordance with the applicable law.

4. Delivery Dates, Passing of the Risk, Transport

- 4.1 The delivery dates and terms as defined in the order or the order releases are binding.
- 4.2 Delivery to MAGNA shall be made DDP Incoterms 2010 to MAGNA or to the place named by MAGNA, unless different delivery terms have been agreed in writing. In case of DDP deliveries or in case MAGNA has agreed to bear the transportation costs, MAGNA has the right to change the delivery term from DDP to FCA Incoterms 2010. If MAGNA has changed to FCA, the transportation costs will be deducted from the price. If MAGNA bears the transportation costs, the SUPPLIER must choose the commercially most suitable way for transport and package, unless MAGNA determines the way of the transport and the package.
- 4.3 If DDP was agreed upon, the day of the arrival of the product and the dispatched documents at MAGNA's or at the named place shall be considered as the timely delivery at the agreed delivery date. This also applies if FCA has been agreed to; in this case, however, the SUPPLIER has to dispatch the products, taking into consideration the time usually required for dispatching and transport.
- 4.4 In case of contracts where the amount of the products to be delivered have to be determined by a respective release order (Abrufaufträge) of MAGNA, MAGNA shall define the amount of the single order in its sole discretion and also the date of the deliveries. Any notifications of the SUPPLIER by MAGNA concerning the estimated amounts of delivery will not bind MAGNA to issue the respective release orders. Release orders may also be issued by electronic data transfer according to the standard applicable in the automotive industry.
- 4.5 In case the SUPPLIER delivers more or less products than ordered, as well as in case of an early delivery, MAGNA reserves the right to reject the delivery at SUPPLIER's expense or to amend the invoice accordingly.
- 4.6 The SUPPLIER is obliged to immediately inform MAGNA about any foreseeable delays of the determined and fixed dates of delivery and/or other performance obligations. Simultaneously, the SUPPLIER has to inform MAGNA about the reasons for and the duration of the delay. Physical acceptance of the delivery of the products without the reservation of its rights, shall not be considered as the forfeiture of MAGNA's rights arising out or in connection with the delayed delivery.

5. Delayed Delivery

With respect to SUPPLIER's delayed deliveries, the provisions of the applicable law shall apply.

6. Force Majeur

In case of Acts of God, civil unrest, governmental or administrative actions and other non-foreseeable, inevitable events, the parties shall be released from their obligations during the duration and to the extent of such disturbance.

7. Notice of Defects

MAGNA shall notify the SUPPLIER of defects of the delivered products within 5 (in words: five) working days after such defects have been detected within the proper course of business. To this extent, the SUPPLIER shall forfeit any rights that the notification of the defects is delayed. However, in case MAGNA and the SUPPLIER agreed on JIT ("Just-In-Time") or JIS ("Just-In-Sequence") delivery MAGNA's obligation to examine the delivered

products and to notify the SUPPLIER of defects of the delivered products shall be limited to the compliance of the delivered products with the quantitative data of the respective delivery note and to damage which is visual visible during the processing of delivered products.

Payment of the price shall not be considered as the acceptance by MAGNA of the defective products.

8. Warranty

- 8.1 Unless these Purchasing Conditions state otherwise, the applicable law concerning defects or the non-performance (including improper title to the products) shall apply. Deviations from the agreed product specifications shall be considered as a material non-performance of SUPPLIER's obligations, if such deviation will not immediately remedied by the SUPPLIER or if MAGNA is able to remedy the defect without any noticeable effort.

MAGNA has the right to choose the type of supplementary-performance. The SUPPLIER has the right to reject the selected type of supplementary-performance if it proves that the supplementary performance chosen by MAGNA means an inappropriate burden for SUPPLIER. In case the SUPPLIER does not immediately remedy the defect after being requested by MAGNA or in urgent circumstances, MAGNA has the right to perform the remedy work by itself or a third party, especially in order to avoid higher damages or in the event of imminent danger. The respective remediation costs shall be borne by the SUPPLIER. Furthermore, the SUPPLIER shall bear additional remediation costs arising out or in connection with the defects, especially costs for transport, assembly and disassembly, administrative costs and handling charges (at MAGNA's, the OEM's as well as on the OEM's dealer level) as well as all other costs in connection with the remedy of the defect. In addition, the SUPPLIER shall bear also such costs which MAGNA might incur if MAGNA is requested by its customers to take part in a "Remedy-of-Defect-Program" like "Contained Shipping Level" and "Executive Champion Programs" or similar programs of its customers, especially of car manufacturers. Statutory or other contractual claims arising out or in connection with the supply of defective products remain unaffected.

- 8.2 Unless otherwise agreed in writing, the warranty period shall be 36 (in words: thirty-six) months. The warranty period starts with the handing over of the final product, in which SUPPLIER's product will be built in, to the (end-)consumer, and ends at the latest 42 (in words: forty-two) months after delivery to MAGNA or to a third party named by MAGNA. In case the product is subject to a formal acceptance test, the warranty period shall commence upon the acceptance by MAGNA; if the acceptance test is being delayed without the SUPPLIER being responsible for such a delay, the warranty period commences the latest 12 (in words: twelve) months after the SUPPLIER has provided the product for the acceptance test.

- 8.3 For products which could not be used during the inspection of the defective product or the remediation work, the respective warranty period shall be prolonged by the period of such non-usability.

- 8.4 In cases of the delivery of replacement products or in cases a repaired product shows the same defect or a defect is the consequence of the repair, the respective warranty period shall commence again.

- 8.5 With respect to the delivery of production material the warranty period starts with the initial registration of the vehicle but shall cease 42 (in words: forty-two) months after delivery to MAGNA at the latest.

- 8.6 All other claims due to breach of contract or breach of other obligations remain unaffected

9. Product Liability / Indemnification / Insurance

- 9.1 As far as MAGNA is subject to a claim based on product liability, the SUPPLIER is obliged to hold MAGNA harmless and shall indemnify MAGNA of all claims brought by third parties, as far as such claims have been caused by a defect of the product delivered by the SUPPLIER. In case MAGNA's liability depends on an act of negligence or intent, the SUPPLIER is only liable if SUPPLIER itself acted in that manner.

- 9.2 Furthermore, and subject to clause 9.1, the SUPPLIER is obliged to reimburse MAGNA for all costs and expenses concerning legal fees and recalls. MAGNA shall inform the SUPPLIER - as far as possible and reasonably expectable - about the extent of such recall and the SUPPLIER shall explain his view on this matter. The SUPPLIER is obliged to take out and maintain such recall and liability insurances with an adequate insured amount for each personal injury / material-damage. For the rest, the mandatory law shall be applicable.

10. Performance of Work

Persons and third parties engaged by the SUPPLIER for the performance of his obligation under the respective contract and which will be physically present at MAGNA's premises or at premises of third parties named by MAGNA shall comply with the respective work regulations of MAGNA or such third parties named by MAGNA.

11. Retention of Title and MAGNA-Materials

- 11.1 MAGNA will accept a "simple" retention of title, if such a retention right is requested by the SUPPLIER. However, MAGNA has the right to sell the product within the ordinary course of business, without accepting any "extended" retention of title as well as any other form of retention of title. SUPPLIER accepts that in case of processing or selling the products by MAGNA, the retention of its title ceases to exist.

The SUPPLIER is obliged to inform MAGNA immediately about any rights a third party might have concerning the product. This also applies for any (potential) assignment of receivables by the SUPPLIER to third parties with respect to the products.

- 11.2 MAGNA shall remain the owner of any materials, parts, containers and/or special packagings provided by it to the SUPPLIER. Those items shall only be used in accordance with the agreed terms of use. The processing of such items and the assembling will be carried out on behalf of MAGNA. MAGNA shall become co-owner of products which are comprised of MAGNA's materials and parts. The proportion of the co-ownership shall be the proportion of the value of MAGNA's items compared to the value of the product. The items provided by MAGNA shall be kept in a proper condition by the SUPPLIER.

12. Assignment, Setoff, Right of Retention

- 12.1 The SUPPLIER is not entitled to assign in part or entirely his contractual rights (including its receivables) to third parties or to allow third parties to collect receivables without the prior written approval of MAGNA. In case the SUPPLIER assigns his receivables against MAGNA without MAGNA's approval, MAGNA is still entitled to pay the respective amounts to the SUPPLIER.

- 12.2 The SUPPLIER has only the right of set-off and retention if such rights are undisputed or confirmed by a legally enforceable judgment. The right of retention must furthermore be based on the same contractual relationship.

13. Tooling and Packaging

- 13.1 MAGNA reserves its title of ownership to the tooling if provided by MAGNA to the SUPPLIER. In case the tooling shall be manufactured by the SUPPLIER or a third party engaged by the SUPPLIER, MAGNA will acquire the ownership upon paying 80 % of the

- agreed tooling price. In all other cases, MAGNA shall become co-owner in proportion of the agreed tooling price and the payment it has made so far. In case the tooling remains on the premises of the SUPPLIER, and if the transfer of the actual possession of the tooling has not occurred yet, the transfer of the actual possession to MAGNA will be legally constructed as the SUPPLIER keeping the tooling for MAGNA ("Besitzkonstitut" in accordance with Section 117 para (2) of the Hungarian Civil Code). The SUPPLIER is obliged to keep the tooling in a fiduciary capacity and to use the tooling exclusively for the manufacturing of the products for MAGNA and the delivery to MAGNA. The SUPPLIER is obliged to mark all tooling in a way that the ownership of MAGNA or third parties named by MAGNA is properly visible.
- 13.2 The SUPPLIER is obliged to insure at his own expense all MAGNA- or third party owned tooling to the extent of the original value against property damage. The SUPPLIER herewith assigns to MAGNA all claims based on such insurances. MAGNA herewith accepts the assignment.
- 13.3 The SUPPLIER is obliged to carry out all necessary and required maintenance and inspection work concerning the tooling as well as the necessary repair work including the procurement of replacement parts at his own expense, in timely manner. The risk of accidental loss of the tooling on the premises of the SUPPLIER shall be borne by the SUPPLIER. The SUPPLIER shall immediately inform MAGNA of any disturbances regarding the tooling as soon as such events have occurred.
- In case of a suspension of the delivery, or in any case of a non-performance, actual insolvency proceedings regarding the property of the SUPPLIER, the actual insolvency of the SUPPLIER, or the termination of the supply contract by MAGNA, MAGNA has the right to reclaim the tooling (and the tooling of the named third parties) after paying the outstanding tooling costs, if any. The SUPPLIER has neither the right of retention nor any other right to keep the tooling.
- In case the SUPPLIER has mandated a third party to manufacture the tooling or in case such tooling remains at the premises of such third party for the production of the product or parts thereof, the SUPPLIER is obliged to conclude an agreement with this third party that grants the same rights towards the tooling as stated in this clause 13, in case the tooling is fully paid. The SUPPLIER assigns his claims regarding the tooling against the third party, as well as other claims concerning the tooling to MAGNA, as far as MAGNA did pay the price of the tooling to the SUPPLIER or to the third party.
- 13.4 As far as payments of the SUPPLIER to third parties, concerning the tooling, are not fully made by the SUPPLIER and in case of the termination of the contract between the SUPPLIER and MAGNA, the commencement of insolvency proceedings against the SUPPLIER and in case of the insolvency of the SUPPLIER, MAGNA has the right to pay the outstanding tooling costs directly to the third parties instead of paying it to the SUPPLIER. In such an event, the SUPPLIER herewith assigns all claims, concerning the tooling, inclusive title of ownership, it might have against the third parties to MAGNA. The SUPPLIER herewith accepts such an assignment.
- 13.5 The SUPPLIER shall be not allowed to relocate the tooling without the prior written consent of MAGNA.
- 13.6 Clauses 13.1 till 13.5 shall also apply for the period of spare parts supply according to clause 17. Clause 13.3 shall also apply accordingly for any packaging material paid by MAGNA.
14. Industrial Property Rights of Third Parties / Background-Foreground Rights, Know How
- 14.1 The SUPPLIER is obliged to indemnify MAGNA against all third party claims arising out or in connection with the delivery of the product or the performance of SUPPLIER's contractual obligations concerning the infringement of industrial property rights of such third parties and shall reimburse MAGNA for all costs and expenses MAGNA might incur with respect to such an infringement.
- 14.2 Clause 14.1 shall not apply if the SUPPLIER has manufactured the product in accordance with drawings, models or similar descriptions or information that were provided by MAGNA and the SUPPLIER does not know or was unable to know that industrial property rights of third parties will be infringed.
- 14.3 The SUPPLIER shall inform MAGNA about the prior or current use of any published or unpublished industrial property rights which are owned by him or licensed to him relating to the product.
- 14.4 The SUPPLIER herewith transfers the results of his development work made in connection with the development of the product including industrial property rights to the exclusive ownership of MAGNA, as far as MAGNA ordered the development work. As far as MAGNA did not pay for the development work, the SUPPLIER grants herewith to MAGNA a non-exclusive, timely and geographically unrestricted, irrevocable, assignable and sublicensable right-of-use (license), free of charge, which also includes the right to any kind of use, duplication and amendment of industrial property rights of any kind.
- 14.5 The SUPPLIER herewith grants to MAGNA a non-exclusive, assignable, sublicensable, timely and geographically unrestricted and irrevocable right of use (license), free of charge concerning the know-how, and/or industrial property rights of the SUPPLIER which existed prior to the contractual relationship with MAGNA ("Altschutzrechte"), in order to enable MAGNA to use the result of the development work as described in clause 14.4.
- 14.6 The application for registration and the assertion of industrial property rights concerning development work paid by MAGNA and which are a result of the cooperation between the SUPPLIER and MAGNA shall be made solely by MAGNA upon MAGNA's unilateral decision. Inventions made by employees of the SUPPLIER during the term of the contractual relationship resulting from their activities under the contract must be claimed by the SUPPLIER accordingly. In case the development work is not paid by MAGNA, the SUPPLIER shall have the right to apply for registration. However, MAGNA shall be at least entitled to a right of use in accordance to clause 14.4.
- Any remuneration the employees are entitled to for having made their invention shall be paid by either MAGNA or the SUPPLIER depending on who is the employer of those employees.
- 14.7 The above mentioned rights of MAGNA remain with MAGNA even if the respective contract with the SUPPLIER will be terminated. These rights of MAGNA relate to all (partial) results concerning the development at the time of the termination.
15. Hazardous Goods and Materials / Notification
- 15.1 Together with the offer, the SUPPLIER shall hand over to MAGNA a duly completed material safety data sheet in accordance with § 5 of the German "Regulation on Hazardous Goods and Materials" ("Gefahrstoffverordnung") and an accident procedure sheet (Transport) concerning all materials (substances, their contents) and objects (goods, parts, technical equipment, uncleaned packages) that might cause perils for life and health of human beings, the environment or for any objects based on the materials' nature, their characteristics, or their physical condition and, therefore, require, subject to the relevant provisions, a special treatment concerning packaging, transport, storage, access, and waste management. In case of any changes of the materials or the legal provisions, the SUPPLIER shall hand over to MAGNA an updated data sheet. The SUPPLIER is obliged to deliver to MAGNA annually and unrequested, a valid "long-term supplier's declaration" which contains the product number and the code number (index of goods, external trade statistic).
- 15.2 If the SUPPLIER has made changes to the product which it also delivers to MAGNA, the SUPPLIER shall inform MAGNA about such changes, irrespective of any other information requirements.
- 15.3 The SUPPLIER has to provide MAGNA with all information required in accordance with the Consumer Protection Act and which are relevant for the assessment whether the safety and health of end-consumers of the products might be affected. The following information shall be provided:
- the attributes of the product including its content, packaging, assembly instructions, installation, maintenance and term for use.
 - the impact to other products, if the use together with those other products can be expected.
 - the presentation, marketing, warning notices, instructions for use and recycling information as well as other product-related information.
 - any kind of group of end users which might be exposed to a greater risk if they use the product.
- 15.4 The SUPPLIER shall make available to MAGNA the information required for the registration in accordance with the European Community Regulation 1907/2006 regarding the registration, evaluation, authorisation and restriction of chemicals ("REACH") and, if already registered, the respective registration confirmations.
- This shall also apply to information and/or registration confirmations regarding the Council Directive 67/548/EEC on the approximation of laws, regulations and administrative provisions relating to the classification, packaging and labeling of dangerous substances ("Directive 67/548/EEC").
- The SUPPLIER shall comply with its duties and obligations under REACH and/or Directive 67/548/EEC.
- The SUPPLIER shall procure that its (sub-) suppliers and all other suppliers of the supply chain, including the original producer, are being bound in accordance to this clause.
- 15.5 As far as the products are electronic parts, the products shall be automotive certified in accordance with "AEC-Q".
16. Quality Management / Spare Parts and Documentation
- 16.1 Concerning the delivery of the product and/or performance of other obligations, the SUPPLIER has to apply the latest state-of-the-art, the applicable safety requirements, the provisions generally applicable in the automotive industry (e.g. German Association of the Automotive Industry rules (VDA-standards)) and all provisions under the applicable Public Law and especially the EU-Directive as of September 18, 2000, regarding the ban of "heavy metal" ("Schwermetallverordnung") (2000/53/EG and of June 27, 2002 (2002/525/EG)) and the agreed technical data and other agreed specifications.
- 16.2 The SUPPLIER has to establish and proof a process-oriented quality-management-system (minimum standard: ISO 9001, however, a ISO/TS 16949 certification in line with the provisions of ISO/TS 16949 shall be achieved). MAGNA reserves the right to audit the efficiency of SUPPLIER's quality-management system at any time on SUPPLIER's premises. The SUPPLIER agrees to comply with the VDA-script "Protection of Quality in the Automotive Industry- Supplier Assessment, Master Sampling" ("Sicherung von Qualität in der Automobilindustrie – Lieferantenbewertung, Erstmusterprüfung") as well as the VDA-script "Protection of Quality of Deliveries / Supplier Selection / Manufacturing Process / Product Release / Quality Performance in Series" ("Sicherung der Qualität von Lieferungen / Lieferantenauswahl / Qualitätssicherungsvereinbarung / Produktionsprozess- und Produktfreigabe / Qualitätsleistung in der Serie / Deklaration von Inhaltsstoffen") in its latest version. Only upon MAGNA accepting the master sample, the SUPPLIER may start the serial production and delivery. Independent of such an acceptance, the SUPPLIER shall always verify the quality of the products by himself and shall perform outgoing product inspections. In case, the automotive manufacturer requires different or additions to such standards, the introduction will be mutually agreed upon by the SUPPLIER and MAGNA.
- 16.3 Drawings, CAD-data, description etc., attached or referenced in the order, shall be binding for the SUPPLIER. The SUPPLIER is obliged to examine them for any kind of discrepancies. In case the SUPPLIER detects actual or assumes potential discrepancies, the SUPPLIER shall immediately inform MAGNA in writing. If the SUPPLIER does not immediately inform MAGNA, the SUPPLIER cannot claim at a later stage that such discrepancies exist. The SUPPLIER is solely responsible for drawings, plans and calculations made by the SUPPLIER even if MAGNA approved them.
- Upon the delivery of tooling or equipment to MAGNA, the SUPPLIER shall also hand over a documentation concerning the handling, service, maintenance and repair, the latest at the time of the delivery of the tooling and the equipment. The SUPPLIER shall be responsible for the CE-labelling.
- 16.4 Concerning special vehicle parts ("dokumentationspflichtige Teile") which are marked in the technical documents as such parts or which are defined as special vehicle parts by a special agreements, the SUPPLIER is obliged to document in special recordings when, in which way, and by whom these special vehicles parts were tested and the results of the required quality tests. The records and the documentation of the results must be properly kept and maintained for 15 (in words: fifteen) years by the SUPPLIER and, if requested, shall be presented to MAGNA. The VDA-script "Special Vehicle Parts at Automotive Manufacturers and their Suppliers, Performance and Documentation" ("Dokumentationspflichtige Teile bei Automobilherstellern und deren Zulieferanten, Durchführung und Dokumentation") in its latest version shall be complied with by the SUPPLIER. Sub-suppliers of the SUPPLIERS shall adhere in the same way as the SUPPLIER.
- 16.5 As far as public authorities which are responsible for vehicle safety or emission standards and provisions etc., request to inspect the respective production sites and documents of MAGNA, the SUPPLIER shall, on demand of MAGNA, grant authorities the identical rights MAGNA has towards the SUPPLIER and shall support them with SUPPLIER's best efforts.
- 16.6 The SUPPLIER is obliged to forward to MAGNA all required declarations about relevant origin of the products for customs ("zollrechtlicher Ursprung") in a timely fashion. The SUPPLIER shall be liable for any disadvantages incurred by MAGNA due to the improper or delayed provision of the required "Supplier-Declaration", unless the SUPPLIER is not responsible for such delay or impropriety. Upon request of MAGNA, the SUPPLIER has to proof the details concerning the origin of the products by him via the relevant customs document confirmed by the competent customs authorities.
17. Spare Parts
- The SUPPLIER is obliged to supply the product over a period of 15 (in words: fifteen) years, commencing with the end of the delivery of serial parts, to MAGNA. If the products can not be produced within economically reasonable cost, SUPPLIER may supply a substitute. The last price valid for the serial delivery plus additional costs for special packaging, if any, shall be applied regarding the spare parts for a period of three years after the end of (serial-) delivery. The price for spare parts shall be determined new after such three years on the basis of a cost analysis.

18. Handing-Over and Use of Working Appliance Equipment

Samples, models, drawings or other documents, that were made by the SUPPLIER in accordance with instructions provided by MAGNA shall become the property of MAGNA upon payment by MAGNA. Effective upon the payment, the SUPPLIER keeps those drawings etc. on behalf of MAGNA, who shall become owner of such models, drawings etc. upon such payment. These working appliances shall only be used by SUPPLIER in order to execute the orders of MAGNA and not for the benefit of any third party. Without the prior written approval of MAGNA, the access of third parties to such documents, appliances etc. are and shall be prohibited. The SUPPLIER shall carefully keep the working appliances free of charge and at his own expense and risk. Upon MAGNA's request, the SUPPLIER shall return them at any time without having any kind of set-off or retention right unless agreed to by the Parties.

19. Changes of the product and other changes

The SUPPLIER shall be not allowed to change the product (including any changes to its specifications, its design and/or the materials), the production processes and/or the production location without the prior written consent of MAGNA.

20. Confidentiality

20.1 The SUPPLIER is obliged to keep strictly confidential all information disclosed by MAGNA or the companies affiliated to MAGNA and to treat them as business and trade secret and to ensure that third parties will not have access to such information. This does not apply for information for which the SUPPLIER can prove:

- (a) are publicly available
- (b) are provided to the SUPPLIER by a third party which was entitled to provide such information and which was not subject to a confidentiality obligation
- (c) was already known to the SUPPLIER prior to the receipt of the information.

20.2 The SUPPLIER is obliged to immediately inform MAGNA in case he is aware that third parties gained access to confidential information or in case such confidential information had been destroyed or is lost.

20.3 The SUPPLIER agrees not to make use of the confidential information outside the scope of their relationship without the prior written approval of MAGNA.

20.4 This confidential obligation applies to all persons engaged by the SUPPLIER independent of their contractual relationship.

The SUPPLIER undertakes to bind all those persons and employees ("Erfüllungs- und Verrichtungsgehilfen") or any other third parties which have access to the confidential information. The SUPPLIER will keep the number of such persons as small as possible with respect to the confidentiality

20.5 This confidentiality and use restriction obligation applies during the term of the business relationship and for a period of 10 (in words: ten) years after its termination.

21. Advertisement

21.1 The use of requests for quotations, orders, acceptance of orders of MAGNA and the connected correspondence and the business relationship as such for promotion purposes is strictly prohibited.

21.2 Only upon the prior written approval of MAGNA shall the SUPPLIER be allowed to engage in promotional activities regarding the business relationship with MAGNA.

22. General Provisions

22.1 In case the SUPPLIER ceases to make payment or apply for insolvency or non-judicial settlement proceedings or other judicial proceedings are applied for, MAGNA shall be entitled to rescind from the respective contract with respect to the part not yet fulfilled. MAGNA shall have the right to set off with (i) a receivable MAGNA might have towards an affiliated company of the SUPPLIER or with (ii) a receivable an affiliated company of MAGNA might have against the SUPPLIER or against an affiliated company of the SUPPLIER against a receivable the SUPPLIER has towards MAGNA.

22.2 Any provision which shall be or become deemed invalid shall not affect the validity and enforceability of the other valid provisions. The Parties agree that such invalid provisions shall be replaced by a valid provision which, in its commercial and legal effect, is approximate so close to the one which shall be substituted of which it may reasonably be assumed that the Parties hereto would have entered into this Agreement with such substituted provision.

22.3 The place of the performance to be carried out by the SUPPLIER shall be the place to which the product shall be delivered to.

22.4 The court competent for MAGNA shall have the exclusive jurisdiction for all disputes arising out or in connection with this business relationship. MAGNA has the right but not the obligation to choose any other jurisdiction which would otherwise be the competent court under the applicable law.

22.5 The laws of the Hungary excluding its conflict of law provisions shall exclusively apply, unless otherwise agreed to in writing. The application of laws on the international sale of goods, especially the Convention of the United Nations of 11.04.1980 on Contracts regarding the International Sale of Goods (CISG) is hereby excluded.

22.6 These Purchasing Conditions are being drafted in English.

Version: 10/2011

SUPPLIER confirms to have read, understood and approved these Purchasing Conditions:

Date:

SUPPLIER:

Signature:

Name in block letters:

Function: