



GENERAL TERMS AND CONDITIONS (GTC) FOR THE SALE OF MOTOR VEHICLES

Auto Export Corporation (AEC), 25 Corporate Park
Dr. Suite 302, St. Catharines (Ontario), L2S 3WS
Canada

1. General, Seller, Customers

- 1.1 These General Terms and Conditions (hereinafter "GTCs") shall apply to all our business relations with our customers (hereinafter "Customer").
- 1.2 We, Auto Export Corporation (AEC), 25 Corporate Park Dr. Suite 302, St. Catharines (Ontario), L2S 3WS Canada (hereinafter "we" or "Seller"), are an authorized distributor in selected countries and areas for certain motor vehicles or batches of motor vehicles.
- 1.3 The GTCs apply to contracts for the sale and/or delivery of used motor vehicles (hereinafter "Goods").
- 1.4 Unless otherwise agreed, the GTCs in the version valid at the time of the Customer's order or, in any case, in the version last notified to the Customer in text form shall also apply as a framework agreement for similar future contracts without our having to refer to them again in each individual case. The Customer agrees to the validity of the GTCs at the latest with the unopposed acceptance of the delivery of the Goods.
- 1.5 Our GTCs shall apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the customer shall only become part of the contract if and to the extent that we have expressly consented to their application. This requirement of consent shall apply in any case, for example even if we carry out the delivery to the Customer without reservation in the knowledge of the Customer's GTC.

2. Conclusion of Contract

- 2.1 Our offers are subject to change without notice unless they are expressly marked as binding or expressly contain binding commitments or are otherwise agreed to be binding. They are invitations to place orders. We may accept the Customer's order within 10 calendar days, unless the Customer also regularly expects us to accept the order at a later date. This shall also apply to subsequent orders placed by the Customer.
- 2.2 A contract shall only be concluded - also in current business transactions - if the Customer's order has been confirmed in writing or in text form by an order confirmation within the commitment period according to Clause 2.1. The order confirmation shall only be valid under the condition that outstanding payment arrears of the Customer are settled and that a credit check of the Customer carried out by us without delay remains without negative result. In the event of delivery within the binding period of the Customer, our order confirmation may be replaced by our delivery, whereby the dispatch of the delivery shall be decisive.

3. Delivery time and delay in delivery

- 3.1 Delivery dates and deadlines are only binding if they are agreed expressly and in writing or in text form. Non-binding or approximate delivery dates and deadlines shall be met to the best of our ability.
- 3.2 Delivery periods shall commence upon receipt of the order confirmation by the Customer. The same applies to delivery dates. If the Customer has requested changes after placing the order, a new reasonable delivery period

shall commence upon our confirmation of the changes. In this context, a reasonable delivery period shall be one which takes into account the preparatory actions required as a result of the change in establishing readiness for delivery - e.g., in the form of procurements or subcontractor deliveries - in addition to the remaining delivery period.

- 3.3 If we exceed a non-binding delivery period - and this is not a matter which falls under Clause 7 -, then the Customer may only assert its legal rights if it has granted us a reasonable extension of time for performance and this has expired. A reasonable extension of time for delivery is a minimum of 10 calendar days (14 calendar days in the case of commercial vehicles).

- 3.4 The provision in Clause 9 shall apply to damages of the Customer caused by our delay, with the proviso that the damage caused by delay in the event of negligence shall be limited to a maximum of 5% of the agreed purchase price for the Goods affected by the delay.

- 3.5 For delay in delivery due to force majeure, Clause 7 shall apply.

4. Transfer of risk and default of acceptance

- 4.1 Unless otherwise specified to the customer at the time of purchase, we will make the Goods available to the Customer at our holding facility location in Niagara Falls, NY, which is the place of performance. The Customer is solely responsible for pickup and transportation.

- 4.2 If, upon the Customer's request, we agree to shipping the Goods to a destination specified by the Customer, we shall be entitled to determine the type of shipment (in particular transport company, shipping route, packaging). In this case, a transport contract between the Customer and the transportation company is concluded through the brokerage of us or our agents, the Customer grants us power of attorney in this respect. Unless otherwise agreed for the respective delivery, the Customer bears the transport risk and is limited to claims against the carrier, our liability is excluded in this respect. We hereby expressly advise the Customer of the need to obtain transportation insurance.

5. Prices and terms of payment

- 5.1 Unless otherwise expressly stated otherwise, our prices for the Goods as applicable at the time of conclusion of the contract do not include statutory value added tax.

- 5.2 Unless otherwise agreed for the respective delivery, the Customer shall bear the transport costs and the costs of any transport insurance requested by the Customer in the case of sale by delivery to a place other than the place of performance. Any customs duties, fees, taxes and other public charges shall be borne by the Customer.

- 5.3 Unless otherwise agreed for the respective Goods, the price for the Goods is due and payable upon confirmed readiness for transport and receipt of the invoice or request for payment by the Customer.

- 5.4 The Customer shall be in default upon expiry of a period of 10 calendar days from the receipt of the invoice or the payment period agreed for the respective sale. During the period of default, interest shall be charged on the price at ten percent (10%) per annum. We reserve the right to assert further damage caused by default.

- 5.5 If the Customer fails to fulfil its payment obligations, then we are entitled to refuse performance of the contract in whole or in part until the amounts due have been paid or security has been provided.

- 5.6 The Customer shall only be entitled to rights of set-off or retention insofar as its claim is legally established or

- undisputed. In the event of defects in the Goods, the Customer's counter rights shall remain unaffected.
- 5.7 A default in payment by the Customer entitles us to withdraw from the respective contract after we have provided the Customer with a reasonable deadline for payment.
- 6. Retention of title**
- 6.1 Until full payment of all our present and future claims arising from the contract and an ongoing business relationship (secured claims), we retain title to the Goods sold. During the period of retention of title, we shall have the right to withhold the registration certificate of the Goods.
- 6.2 The Goods subject to retention of title may neither be pledged to third parties nor assigned as security before full payment of the secured claims. The Customer shall immediately notify us in writing if an application for the opening of insolvency proceedings is filed or if third parties seize the Goods belonging to us.
- 6.3 In the event of conduct by the Customer in breach of contract, in particular in the event of non-payment of the purchase price due, we shall be entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand return of the Goods on the basis of the retention of title. The demand for return does not at the same time include the declaration of withdrawal; we are rather entitled to demand only the return of the Goods and to reserve the right of withdrawal. If the Customer does not pay the purchase price due, we may only assert these rights if we have previously set the Customer a reasonable deadline for payment without success or if setting such a deadline is dispensable according to the statutory provisions.
- 7. Force majeure**
- 7.1 If, for reasons for which we are not responsible, we do not receive the deliveries from our suppliers for the performance of deliveries owed under the contract, or do not receive them properly or on time, despite proper and sufficient coverage prior to the conclusion of the contract with the Customer in accordance with the quantity and quality from our delivery agreement with the Customer (congruent coverage), or if events of force majeure occur, we shall inform our Customer in writing or in text form in due time. In this case, we shall be entitled to postpone the delivery or service by the duration of the hindrance or, in the case of events of not insignificant duration (i.e., with a duration of longer than 14 calendar days), to withdraw from the contract in whole or in part on account of the part not yet fulfilled, insofar as we have complied with the aforementioned duty to provide information and have not assumed the. The following shall be deemed equivalent to force majeure: war, mobilization, riots, natural disasters, epidemics, pandemics, strikes, lockouts, official interventions, energy and raw material shortages, transport bottlenecks or obstacles through no fault of our own, operational hindrances through no fault of our own – e.g., due to fire, water and machine damage – and all other hindrances which, viewed objectively, have not been culpably caused by us.
- 7.2 If a delivery date or a delivery period has been bindingly agreed and if the agreed delivery date is exceeded due to events according to Clause 7.1, the Customer shall be entitled to withdraw from the contract due to the part not yet fulfilled after the fruitless expiry of a reasonable grace period. Further claims of the Customer, in particular claims for damages, are excluded in this case.

- 7.3 The above provision pursuant to Clause 7.2 shall apply mutatis mutandis if, for the reasons stated in Clause 7.1, it is objectively unreasonable for the Customer to continue to adhere to the contract even without a contractual agreement on a fixed delivery date.

8. Claims for defects

- 8.1 Unless expressly agreed otherwise for the respective Goods in writing, we do not provide any warranty for defects in the Goods, and hereby disclaim any warranty (whether express or implied) for defects in quality and defects in title.
- 8.2 When selling Goods, we shall not assume any liability for public statements made by the manufacturer or other third parties (e.g., advertising statements) that the Customer has not pointed out to us as being decisive for his decision to purchase.

9. Liability and indemnification

- 9.1 Unless otherwise provided for in these GTCs, we shall not be liable, subject to the following exceptions, in particular for claims of the Customer for damages or reimbursement of expenses - irrespective of the legal grounds.
- 9.2 The exclusion of liability set forth in Clause 9.1 shall not apply: (i) for our own intentional or grossly negligent breaches of duty and intentional or grossly negligent breaches of duty by our legal representatives or vicarious agents, (ii) for the breach of essential contractual obligations, i.e. such obligations, the fulfilment of which is a prerequisite for the proper performance of the contract and on the observance of which the Customer may regularly rely, (iii) in the event of injury to body, life and health also by legal representatives or vicarious agents, (iv) in the event of the assumption of a guarantee as well as (v) in the event of legally mandatory liability.
- 9.3 The exclusion of liability set forth in Clauses 9.1 and 9.2 shall also apply to breaches of duty committed prior to the time of the conclusion of the contract. Our liability for such pre-contractual breaches of duty shall be excluded or limited to the same extent as our liability would be excluded or limited if the breach of duty had only been committed after the conclusion of the contract. Therefore, to this extent, the Customer waives any claims for compensation to which he may be entitled that have already arisen, and we accept this waiver.
- 9.4 Except in the case of Clause 9.2 (i), (iii), (iv) and (v) as well as in cases of legally mandatory deviating higher liability sums, the liability is limited to 25% of the remuneration owed under the contract. Any further liability is excluded.
- 9.5 The exclusions or limitations of liability in the above Clauses 9.1 up to and including 9.4 shall apply to the same extent in favor of our legal representatives, employees and agents.
- 9.6 A reversal of the burden of proof is not associated with the provisions in this Clause 9.
- 9.7 The Customer shall indemnify and save harmless the Seller, its employees, directors, officers and agents against all claims for damages and expenses, including legal expenses asserted against us by any third party due to a culpable breach of Customer's obligations under these GTCs. The Customer shall inform us without delay if third parties assert claims against the Customer that fall under the above indemnification obligation and shall give us the opportunity to defend the asserted claim, insofar as this is possible under the circumstances of the individual case. The Customer is obligated to immediately provide us with all information available to him regarding the

matter in question in full in text form. Any claims going beyond this shall remain unaffected.

- 9.8 The Customer may only withdraw from the contract due to a breach of duty if we are responsible for the breach of duty.

10. Ownership of production and advertising materials, industrial property rights

- 10.1 The trademarks and logos of any brands or any other brand that are associated with these GTC are not licensed to the Customer and the Customer hereby expressly agrees to refrain from any form of unauthorized use. All trademarks and logos of us and our subsidiaries, are and remain our property. The use of these trademarks and logos requires our express written approval.

- 10.2 Unless otherwise agreed, all documents, advertising materials and other products which are provided to the customer within the scope of the contract in addition to the contractual object owed or which are created or acquired by us for the execution of the order shall remain or become our property upon their creation. Models, matrices, templates, samples, tools and other means of production may only be used for deliveries to third parties with our prior written consent. The Customer must keep our property in the aforementioned materials free of charge, treat them with care, protect them from access by third parties and inform us immediately if and by whom third party infringements occur. Unless otherwise agreed, the materials shall be returned no later than two years after conclusion of the contract.

- 10.3 Unless otherwise agreed, the Customer shall not be granted any right to use rights to the materials referred to in clause 10.1. If the Customer has acquired its own rights (e.g., trademark rights) through the use of the materials, it shall be obliged to transfer these rights to us upon termination of the contract.

11. Non-Disclosure

- 11.1 The Customer shall be obliged to keep confidential information secret. Confidential information shall be all financial, technical, legal, tax-related information, information concerning our business activities or information concerning companies affiliated with us, including data and records, as well as secret know-how, i.e. identifiable knowledge in which there is an expressly or impliedly declared interest in secrecy, which is only accessible to a narrowly defined group of persons, which can be objectively individualized and which has a commercial value and which is provided to the Customer by us in connection with the business relationship, provided: (i) that such information, if provided in writing or electronically, is marked as confidential information, is described as such or is otherwise clearly recognizable as such to the Customer; or (ii) that such information, if provided orally or visually, is declared by us to be confidential information when provided and is subsequently summarized by us to the Customer in writing or text form. This summary shall be provided to the Customer within 14 calendar days after the handover, marked "Confidential Information", whereby the date of receipt shall be decisive. The confidentiality obligation shall apply in any case and irrespective of the above provision to information concerning our prices, services, advertisements and sales promotion concepts.

- 11.2 Information shall be exempt from the obligation to maintain confidentiality if it was already demonstrably known to the Customer at the time it was communicated

to it, is generally accessible or if there is a statutory duty to disclose it.

- 11.3 In case of doubt, the Customer is obliged to obtain our prior written consent as to whether a certain fact is to be kept secret or not.

- 11.4 The Customer shall be obliged to oblige its employees (also freelancers), suppliers and other third parties, which it uses for the performance of the contract, in writing to comply with the obligations pursuant to this Clause 11.

- 11.5 The Customer shall refrain from exploiting or imitating the Confidential Information itself in any way (in particular by way of so-called "reverse engineering") or having it exploited or imitated by third parties and - in particular on the basis of the Confidential Information - from applying for industrial property rights - in particular trademarks, designs, patents or utility models.

12. Energy Efficiency

- 12.1 The Customer has to respect all applicable laws and regulations concerning the information towards the (end) customer.

13. Non-assignment clause

- 13.1 The Customer shall not be entitled to assign its claims arising from the contractual relationship with us to third parties without our prior consent in writing. Our consent will not release the Customer from its contractual obligations.

- 13.2 The prohibition under Clause 13.1 shall not apply to monetary claims arising from a legal transaction which is a commercial transaction for both parties.

14. Severability clause

- 14.1 Every provision of the GTC is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality shall not affect the validity of the remainder of this agreement.

15. Written form

- 15.1 Individual agreements (including collateral agreements, supplements and amendments) made with the Customer in individual cases after the inclusion of these GTCs in the contractual relationship shall in any case take precedence over these GTCs. Subject to proof to the contrary, a written contract or our written confirmation shall be authoritative for the content of such agreements.

- 15.2 Legally relevant declarations and notifications by the customer with regard to the contract (e.g., setting of deadlines, notification of defects, withdrawal or reduction) shall be made in writing or text form (e.g., letter, e-mail, fax). Legal formal requirements and further proof, in particular in the case of doubts about the legitimacy of the person making the declaration, shall remain unaffected.

16. Mediation

- 16.1 In the event of differences of opinion in connection with the implementation of this GTC or the respective contract, the contracting parties undertake to first try and settle their differences of opinion by way of mediation proceedings.

- 16.2 Once a contracting party has requested mediation, then the parties undertake to agree on a mediator within eight calendar days. If it proves impossible to reach agreement, then the parties must accept a business mediator recommended by an accredited institution.

- 16.3 The place of the proceedings is St. Catharines, Ontario.

- 16.4 The parties must each pay half of the costs of the mediation unless they agree to another apportionment in the mediation.

- 16.5 If the parties are unable to reach an agreement in the mediation proceedings within six months, then each party



is entitled at the end of the mediation proceedings to commence legal proceedings in an ordinary court of law.

17. Choice of law and place of jurisdiction

- 17.1 The laws of the Province of Ontario and the applicable laws of Canada therein shall apply to the GTCs and the contractual relationship between us and the Customer to the exclusion of international private and uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.
- 17.2 The place of jurisdiction for all disputes arising from the contractual relationship between the Customer and us – including these GTC and the respective contract – shall be St. Catharines, Ontario, and no others unless agreed to by Seller.