

## GENERAL CONDITIONS GOVERNING LOAN-FOR-USE OF RENAULT SPECIFIC TOOLS

Between:

### **RENAULT s.a.s.**

Simplified Joint Stock Company with capital of 533,941,113 Euros  
whose head office is located at 13/15 Quai le Gallo, BOULOGNE BILLANCOURT (92100), FRANCE  
registered in the Nanterre Trade Register under number 780 129 987  
represented by \_\_\_\_\_ in his capacity as \_\_\_\_\_

hereinafter referred to as "**RENAULT**"

and

### **The Supplier**

..... Company with capital of .....

whose head office is located at.....

registered in the .....Trade Register under number.....

Supplier account n°.....

acting not only in its own name but also in the name and on behalf of its subsidiaries or controlled companies  
in the sense of L.233-3 of the French Commercial  
represented by..... in his/her capacity as.....

hereinafter referred to as "**The Supplier**"

Hereinafter referred to individually as "**the PARTY**" or collectively as "**the PARTIES**".

### **THE FOLLOWING HAS ALREADY BEEN STATED:**

RENAULT fully finances the design, manufacture or purchase by the Supplier of specific tools used by the latter to manufacture RENAULT specific automotive parts, and the physical ownership of which is transferred to RENAULT as soon as the latter places an order.

The PARTIES have agreed to make these RENAULT Specific Tools (OSR) available by RENAULT to the Supplier, so that the Supplier can carry out the manufacture of the parts ordered by RENAULT. In order to do this, the PARTIES have decided to draw up these General Conditions, in the form of a loan-for-use agreement governed by article 1875 and subsequent articles of the French Civil Code, under the terms and conditions below.

### **ARTICLE I - DEFINITION**

RENAULT Specific Tools (**OSR** in the rest of this document): this is the name given to specific tools in the sense of the standard in force at RENAULT (53860-03-03-FOUR). They are financed by RENAULT and are the physical property of RENAULT.

### **ARTICLE II - SUBJECT OF THE CONTRACT**

The present general conditions define the conditions of the loan-for-use of OSRs designed to manufacture RENAULT specific automotive parts, registered in compliance with the provisions of the present general conditions and marked by a plate identifying the owner.

The present general conditions governing loan-for-use are only signed once by the Supplier for all the tools loaned for use by RENAULT.

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The present general conditions shall govern the loan-for-use of the tools for the period of time during which RENAULT or any company controlled, in the sense of article L. 233-3 of the French Commercial Code, by RENAULT (SA) or RENAULT s.a.s. (hereinafter referred to as "**Controlled Company or Companies**"), orders manufacturing of parts which requires use of the tools. They shall be deemed to come into force upon acceptance by the Supplier of an OSR purchase order placed by RENAULT.

Subject to the provisions of article 5 below, loan-for-use is granted free-of-charge and accepted on a bona fide basis by the PARTIES and in accordance with professional practice, under the following clauses that the Supplier undertakes to comply with, as it undertakes also to comply with the legislation in force with respect to safety.

The present general conditions shall also govern the loan-for-use of OSRs when the OSR is used by the Supplier for the requirements of third parties or to manufacture parts intended to be sold to retailers, in accordance with article 5.1 below.

### **ARTICLE III - INSURANCE**

The OSRs loaned by RENAULT must be insured by the Supplier against all risks, and all damages for their replacement value, for the duration of the loan of each OSR.

Immediately upon RENAULT's first request, the Supplier shall at any time provide proof of the existence of the said insurance by providing RENAULT with a certificate of insurance.

The Supplier hereby waives any rights to recourse against RENAULT or its insurers and undertakes to obtain the same waiver from its insurers, except in case of damages resulting from hidden defects or design defect on a OSR developed by Renault (or an OSR that Renault has had developed by a third party).

### **ARTICLE IV - INVENTORY**

The Supplier shall, upon RENAULT's first request, provide an inventory of all the OSRs placed at its disposal together with their location and their registration number.

RENAULT reserves the right at any time to carry out an inventory of the OSRs loaned in the places where they are used.

### **ARTICLE V - USE OF THE TOOLS**

**5.1-** The OSRs shall be used to execute purchase orders from RENAULT or its Controlled Companies.

If, after having complied with the needs (in terms of mass production parts, CKD and spare parts) of RENAULT and its Controlled Companies, the Supplier wishes to use the said OSRs for any other purpose and in particular for the execution of purchase orders for third parties, or to manufacture parts intended to be sold to retailers, it shall prior to any such use draw up a written agreement with RENAULT concerning the conditions, in particular the financial conditions, of this use, according to the following formula:

**Amount of the tool purchase order x maximum percentage of use not reserved for RENAULT as defined in the tool purchase order.**

Payment by the Supplier of the OSR as specified above cannot under any circumstances prevent the fact that the Supplier must as a priority continuously fulfil the requirements of RENAULT and its Controlled Companies, in particular if the requirements of RENAULT should temporarily saturate the capacity of the OSR. If this requirement becomes permanent, the PARTIES shall meet in good faith and decide jointly on the opportunity

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of setting up additional capacities with a view to allowing the PARTIES to comply with their respective obligations.

The payment to RENAULT by the Supplier of this usage percentage shall be paid by the Supplier concomitantly with the payment by RENAULT of the balance of the tool price.

**5.2-** Subject to compliance with the conditions of the present agreement, it is specified that in relation to parts over which RENAULT holds the original intellectual and/or industrial copyright, in compliance with the provisions of the Intellectual Property Code, the Supplier, before reproducing, using or marketing the said parts for and on its own behalf or on the behalf of third parties, shall obtain written and prior authorization to do so from RENAULT.

**5.3-** The Supplier shall not have the right to transfer or loan the OSR made available to it, whether in exchange for payment or free of charge; neither may it grant or allow acquisition of any rights whatsoever concerning these OSRs.

#### **ARTICLE VI - LOCATION OF THE TOOLS**

The Supplier shall inform RENAULT as to the geographical location of the OSRs, and obtain RENAULT's agreement before making any change to the location of these tools.

In the event of the Supplier renting the premises in which the OSRs are installed and used, it shall notify the owner of the building that the said tools are and remain the property of RENAULT and that under no circumstances may the owner of the building, for any reason whatsoever, exercise its privilege as landlord, as stipulated in article 2332 of the French Civil Code, in relation to the said tools.

In the event of the tools being left by the Supplier in the hands of one of its own suppliers or subcontractors, and following RENAULT's prior explicit authorization, the Supplier undertakes to ensure that this supplier or subcontractor complies with the loan provisions of the present contract. In the event of this supplier or subcontractor going into receivership, the Supplier undertakes to inform RENAULT as soon as it becomes aware of this, to enable RENAULT to take any action necessary to preserve its rights. In the event of the Supplier failing to comply with these obligations and thereby causing RENAULT to lose its rights over the OSRs, the Supplier undertakes to replace these tools immediately at its own expense, in order to ensure that RENAULT continues to be supplied with the parts manufactured by these OSRs.

#### **ARTICLE VII - MODIFICATIONS AND MAINTENANCE**

No modification may be made to these OSRs without RENAULT's explicit authorization. The Supplier undertakes to exercise due diligence in order to carry out any modifications required by Renault to the OSRs that are the subject of this loan agreement, without this modification leading to an interruption in the supply of parts.

Throughout the duration of the loan-for-use agreement, the Supplier undertakes to repair and service the loaned OSRs in accordance with professional standards of diligence and prudence, under its own responsibility, and shall notify RENAULT of normal wear likely to require replacement of the said OSRs in sufficient time to allow the launch of new tools.

#### **ARTICLE VIII - REPLACEMENT AND REPRODUCTION**

The OSRs covered by the loan contract may be renewed or reproduced provided RENAULT has given its prior written authorization.

The costs incurred in replacing the OSRs shall be borne by RENAULT provided that these are used exclusively for RENAULT requirements.

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If the OSRs are also used by the Supplier to complete orders for third parties, the costs incurred in replacing the OSRs shall be borne by the PARTIES based on the agreed distribution as stipulated in article 5.1.

### **ARTICLE IX - LIABILITY**

The Supplier shall not be able to take recourse against RENAULT in the event of direct or indirect damages resulting from use or simple holding of the OSR, and this until it is recovered or returned under the terms and conditions stipulated in article X hereinafter.

RENAULT shall never be liable for hidden defects, of which it is unaware, affecting the loaned goods and rendering them unfit for their intended purpose.

The present paragraph does not apply to OSRs that RENAULT has developed or has had developed by a third party.

### **ARTICLE X - TERMINATION OF THE LOAN - RETURN OF THE TOOLS**

At the end of the loan period of each OSR as specified in article 2, or on the date of its termination regardless of the reason for this, and subject to payment of the amounts due by RENAULT, the Supplier shall follow RENAULT's instructions stipulating return, storage or scrapping. If the OSR is used by the Supplier for the requirements of a third party or to manufacture parts intended for sale to retailers, RENAULT shall transfer the OSR to the Supplier.

Under no circumstances shall the Supplier be permitted to scrap a loaned OSR without RENAULT's explicit authorization; failure to observe this provision may result in it having to pay compensation to RENAULT.

It is explicitly agreed that RENAULT reserves the right to take back possession of all or part of the specific tools loaned under the following conditions:

- at any time, twenty four (24) hours after a letter of notice sent by recorded delivery letter with acknowledgement of receipt or a bailiff's notice has met with no response, and without it being necessary to give further notice, in the event of a serious breach in the delivery of the parts manufactured by the Supplier using the tools, or in the event of substandard quality of the said parts,
- in the event of failure to comply with any of the clauses in the present general conditions which has not been remedied within a period of fifteen (15) days after dispatch of a letter of notice sent by recorded delivery letter with acknowledgement of receipt or a bailiff's notice.

On expiry of the contractual obligations, and after a period of twelve (12) months in which no requirements have been expressed by RENAULT, the Supplier can ask RENAULT for its instructions regarding the return, storage or scrapping of the OSRs loaned. If RENAULT does not respond within a period of twelve (12) months after the first request made by the Supplier via recorded delivery letter with acknowledgement of receipt, the latter can scrap the OSRs at RENAULT's expense.

### **ARTICLE XI - MONITORING OF OSRs**

In order to enable shared monitoring of the OSRs made available to the Supplier, a standard monitoring sheet shall be drawn up for each tool.

### **ARTICLE XII - ELECTION OF DOMICILE**

For execution of the present general conditions, each of the PARTIES elects domicile at its head office indicated above.

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**ARTICLE XIII - APPLICABLE LAW AND JURISDICTION**

The present contract is governed by French domestic law.

If one of the aforementioned provisions were to prove null and void, the validity of the other provisions would not be vitiated, provided that the null and void provision was not an essential clause of the present general conditions.

RENAULT and the Supplier shall make every effort to settle all disputes as to the interpretation and performance of the present general conditions out of court. In the event that they do not succeed in this, and after a period of six (6) months from the first notification of the dispute by recommended letter with acknowledgement of receipt, it is explicitly agreed that exclusive jurisdiction is attributed to the Paris Commercial Court.

Made in two original copies in:

Date:

For RENAULT s.a.s.

For the Supplier

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Henri Huynh

