

Regulations of the Board of Directors
of
Automotive Components Europe S.A.

GENERAL PROVISIONS

§1.

These regulations (the “**Regulations**”), set forth the rules governing the functioning and organisation of the Board of Directors (the “**Board**”) of Automotive Components Europe S.A., with its registered office in Luxembourg, Grand Duchy of Luxembourg (the “**Company**”).

§2.

All capitalized terms used herein shall have the meanings ascribed thereto in the Company’s articles of association (the “**Articles of Association**”), unless otherwise defined herein.

§3.

Board members shall perform their duties in person unless otherwise authorized by the Articles of Association.

COMPOSITION OF THE BOARD

§4.

1. The number of Board members and the principles for their appointment and dismissal shall be set forth in the Articles of Association. The Board shall choose from amongst the Directors a chairman (the “**Chairman**”) provided that if Directors A have been appointed the Chairman shall be appointed from amongst the Directors A.
2. The Board may elect from amongst its members one or more vice-chairmen who, if more than one, shall be numbered consecutively. In the event of absence, disability or sickness of the Chairman, his duties shall be discharged by the Vice Chairman, or by the First Vice Chairman if there is more than one or, in the absence of such First Vice Chairman, by the following Vice Chairman in the numerical sequence.
3. The Board shall elect a Secretary who shall be responsible for keeping the minutes of the Board. The Secretary need not be a member of the Board.

§5.

The Board shall not be validly constituted and its meetings shall not be validly convened until the General Shareholders' Meeting has elected the minimum number of Directors from among the nominees in accordance with Art. 7 of the Articles of Association.

§6.

In the event of a vacancy in the office of a Director due to death, retirement or otherwise, the remaining Directors may appoint, by a majority vote and, in the case of Directors A and Directors B only, upon the exclusive proposal of the holder(s) of Shares that nominated the Director whose office has become vacant, a Director to fill such vacancy until the next General Meeting.

§7.

1. In the event of the resignation of a Board member, the relevant resignation notice shall be delivered to the Board and shall set out the effective date of resignation.
2. A Board member shall not resign from his/her position during the term of office where it might prejudice Board activities, in particular preventing the adoption of a resolution regarding issues material to the Company in due time.

DUTIES OF THE BOARD MEMBERS TOWARDS THE COMPANY

§8.

1. Pursuant to the Company Law the Directors shall be liable to the Company, in accordance with general Luxembourg law, for the execution of the mandate given to them and for any misconduct in the management of the Company's affairs.
2. Pursuant to the Company Law directors shall be jointly and severally liable both towards the Company and any third parties for damages resulting from violation of law or the Articles of Association. They shall be discharged from such liability in the case of a violation to which they were not a party provided no misconduct is attributable to them and they have reported such violation to the first General Meeting after they had acquired knowledge thereof.
3. A Director shall demonstrate loyalty towards the Company and refrain from taking any actions for his/her own financial gain.
4. In the event of a Director becoming aware of any possible investment or another profitable transaction relating to the Company's business operations, such Director shall immediately provide the Board with such information in order to enable the Company to take advantage of it.
5. The information referred to in §8.4 may be used by the Director or transferred to a third party only with the consent of the Board granted by way of a resolution, and may take place only if it is not against the Company's interests.

§9.

In transacting with the Company's Shareholders, the Board, and its members shall act with particular diligence, so as to ensure that the transactions are concluded at arm's length.

§10.

Trading by Directors of Company shares, for their own account, must always be based on investment criteria and may not be speculative.

§11.

1. In the event that any Director of the Company may have any personal and opposite interest in any transaction of the Company submitted to the Board for approval, such Director shall make known to the Board such personal and opposite interest and shall not consider or vote upon any such transaction, and such transaction, and such director's interest therein, shall be reported to the next following General Meeting which shall ratify such transaction.
2. The Board shall make information publicly available regarding personal, actual and organizational connections of Directors with a given Shareholder, particularly with the majority Shareholder.
3. In the event of a conflict of the Company's interests and the personal interest of a Director's spouse, relatives by blood or marriage up to the second degree, or other persons to whom the Director is personally related, such Director shall refrain from participating in the resolution of such matters and request that this is noted in the minutes of the Board meeting.

§12.

The Board is obliged to prepare a management report and make it available to Shareholders at the registered office of the Company 15 (fifteen) calendar days before the Annual General Meeting together with the balance sheet, profit and loss account and auditor's report.

§13.

1. Directors have the right to participate in General Meetings.
2. Within the scope of his/her powers and within the scope necessary to resolve the matters to be discussed by the General Meeting, a Director shall provide the participants of the General Meeting with clarifications and information regarding the Company. Answers to questions posed by the General Meeting shall be provided with due consideration of the fact that the Company fulfills its disclosure obligations in a manner provided for in the relevant provisions of law pertaining to public companies, and the disclosure of certain information may not be made other than in a manner consistent with the relevant provisions of law.

COMPETENCIES OF THE BOARD

§14.

The Board is vested with the broadest powers to perform or cause to be performed all acts of disposition and administration in the Company's interests. All powers not expressly reserved by the Law of August 10, 1915 on commercial companies, as amended (the “ **Company Law**”), or by the Articles of Association to the General Meeting fall within the competence of the Board.

Without prejudice to the foregoing, the policy adopted by the Board consists of delegating the day-to-day management of the Company to the Chief Executive Officer who will be supported by a management committee consisting of Senior Officers appointed by the Board. The Board shall not delegate and shall assume and discharge the responsibilities set forth in § 16.2.

§15.

1. Acting in the Company's best interests, the Board shall define the strategy and objectives of the Company's operations. The Board shall be responsible for implementing and completing the strategy as well as attaining the Company's major objectives.
2. The Board shall provide for the transparency and effectiveness of the Company's management system and the handling of the Company's affairs in compliance with the legal regulations and the principles of good practice.

COMPANY'S REPRESENTATION AND MANAGING THE COMPANY'S AFFAIRS

§16.

1. All Board members shall be required and authorized to manage the Company's affairs jointly.
2. The following matters are the exclusive competence of the Board and cannot be delegated in any event to the Chief Executive Officer, to one or more members of the Board or to any person or any entities:
 - a) approval of the annual budget, annual capital expenditure plan, annual operating plan and long term business plans of the Company and its subsidiaries;

- b)** approval of new business lines;
- c)** investment or divestment in assets/securities outside the approved annual budget exceeding (i) 250,000 Euro if within the ordinary course of business or (ii) 125,000 Euro if outside the ordinary course of business;
- d)** acquisition of shares in other companies;
- e)** sale of shares in subsidiaries, including sale of shares in Operating Entities;
- f)** approval of expenditures, indebtedness, liabilities, establishing mortgages/liens and entry/termination of contracts outside the approved annual budget exceeding (i) 250,000 Euro if within the ordinary course of business or (ii) 125,000 Euro if outside the ordinary course of business;
- g)** entry into or termination of any joint ventures or acting as partner in a limited or general partnership;
- h)** incorporation of subsidiaries;
- i)** proposals to the General Meeting or decisions to convene the General Meeting in matters relating to liquidation, merger, dissolution, winding-up, capital decrease, share redemption, dividend distribution, and changes to the articles of association;
- j)** entry into or termination of any contract with professional advisors for the Company and its subsidiaries with a value exceeding EUR 100,000;
- k)** acceptance, if applicable, of any internal rules of procedure for the Board or regulations relating to General Meetings;
- l)** appointment/dismissal of the Senior Officers upon exclusive proposition of the Chief Executive Officer;
- m)** approval of the remuneration of the Senior Officers of the Company upon exclusive proposition of the Chief Executive Officer;
- n)** approval of the organization structure and reporting lines between the Company and its subsidiaries and also between the subsidiaries;

- o) formal appointment, if applicable, of the chief executive officer of the subsidiaries of the Company, provided that the decisions about nomination/dismissal/compensation of such chief executive officer of the subsidiaries of the Company are within the competence of Chief Executive Officer;
 - p) approval of any ESOP for employees/officers of the Company or the Group, provided that beneficiaries of the ESOP shall be exclusively nominated by the Chief Executive Officer;
 - q) approval of any transactions which the Company conducts with Directors, significant Shareholders, Shareholders with Board representation, Senior Officers or other persons related thereto; and
 - r) all decisions to be voted at the general meeting of shareholders of the subsidiaries of the Company.
3. The Company shall be bound towards third parties (i) by the joint signature of two Directors, one of whom must be a non-Executive Director and one of whom must be a Director A or a Director B in all matters or (ii) in the event that there are no Directors A or Directors B, by two Directors one of whom must be a Non-Executive Director, in all matters, or (iii) by the single signature of a Director or other person to whom the power to contract liabilities has been delegated in accordance with §19 of these Regulations.

§17.

Directors shall take the relevant action to obtain from the Board regular and complete information on any and all significant issues concerning the Company's operations as well as any risks related to the business and manner of managing such risks.

§18.

Independent Directors should not have a relationship with the Company and its Shareholders or employees which could significantly affect the Independent Director's ability to make impartial decisions.

§19.

1. The Board may, by a resolution, delegate part of its powers, other than those powers set out in §16.2 to one or more of its members for a specified transaction.
2. The consent of the Board expressed in a resolution shall be required to grant a proxy (registered power of attorney) to a third party to act on behalf of the Company. A proxy may only be granted for a specified transaction.
3. A proxy may at any time be revoked upon the Board's resolution.
4. The Board may further delegate special powers and confer special mandates on any person in accordance with the Articles of Association.

§20.

1. Except for matters exclusively reserved to the Board as referred to in §16.2 of these Regulations, the Board will delegate the day-to-day management of the Company's business and the power to represent the Company with respect thereto to the Chief Executive Officer. Accordingly, there shall be delegated to him all such powers as may be delegated pursuant to applicable law, the Articles of Association and these Regulations, and he shall have the duty to lead the management committee of the Company, at all times in accordance with the decisions made and the standards established by the shareholders at the General Meeting and by the Board, each within their respective spheres of responsibility.
2. The Company shall be bound toward third parties by the sole signature of the Chief Executive Officer of the Company in relation to matters delegated to him.
3. The Chief Executive Officer being the highest-ranking officer of the Company, shall take care of the development of the business and of the highest executive duties in the Company. He shall keep the Board properly informed about key business and corporate developments at the Company and its subsidiaries and key decisions to be made within his power to represent the Company and such key business and corporate decisions at subsidiaries as listed in 16.2 (a) to (o), (p) and (r).
4. The Chief Executive Officer, in the performance of the day-to-day management of the Company will be supported by a management committee constituted of Senior Officers, appointed by the Board in accordance with §19. The internal rules of the management committee will be decided by the Chief Executive Officer.

BOARD ORGANIZATION

§21.

1. The internal distribution of responsibilities for supervising and managing particular business areas and organizational units among particular Directors shall be designated in a separate resolution of the Board.
2. Irrespective of the distribution of tasks and responsibilities, all Directors shall be required to cooperate in managing the Company's affairs, as well as to inform each other of any material actions taken in the course of managing the Company's affairs, as well as of any actions departing from the established practice for a given matter, or related to the scope of actions vested in particular Directors.
3. Particular Directors are responsible for individually managing the Company's affairs assigned to them as a result of the distribution of competencies determined in the resolution referred to in §21.1 of these Regulations.
4. In managing the Company's affairs, the Board as well as the Directors acting individually, shall act within the boundaries of justified business risk, having considered all information, analyses and opinions that, in the Board's reasonable opinion, should on each occasion be taken into account in order to protect the Company's interests. When determining the Company's interests, the long-term interests of the Company's Shareholders, creditors and employees shall be kept in mind, as well as those of the local community and other entities and persons cooperating with the Company.

§22.

In appointing professional advisors, including financial, tax and legal advisors, the Board and its members shall consider all circumstances that might impede the impartiality of such advisor in exercising the duties entrusted to it, and the principles of fair competition.

§23.

The Board shall provide support for the operations of the General Meeting and the Board, which shall include, in particular, the preparation of meetings held by these corporate authorities, the provision of organizational and administrative support in the course of such meetings, as well as the collection and safekeeping of the minutes from such meetings, together with any resolutions adopted thereat.

BOARD MEETINGS, RESOLUTIONS AND MINUTES

§24.

Board meetings shall be convened as necessary.

§25.

Unless particular circumstances so require Board meetings shall be held in Luxembourg, Grand Duchy of Luxembourg.

§26.

1. The Board shall be convened by the Chairman or any vice-chairman or any two Directors, at the place indicated in the notice of meeting.
2. The written notice of any Board meeting shall be delivered to all Directors by hand, facsimile, electronic mail or registered mail at least 5 (five) days in advance of the date set for such meeting, except in circumstances which constitute an emergency, in which case the nature of such circumstances shall be set forth briefly in the convening notice of the meeting of the Board. The written notice of a Board meeting shall indicate in particular:
 - a) the time and venue of the convened Board meeting;
 - b) the proposed agenda of the meeting and any draft resolutions to be adopted by the Board in matters included on the agenda of the meeting; and
 - c) the materials required to consider the matters included on the agenda.
3. No such written notice is required if all the Directors are present or represented during the meeting and if they state that they have been duly informed and have had full knowledge of the agenda of the meeting. The written notice may be waived by consent in writing, whether original, by telefax, cable, telegram or telex, of each Director (for the avoidance of doubt, such consent to waive written notice will be incorporated into the minutes of the relevant meeting, such minutes to be signed by each of the Directors). A separate written notice shall not be required for meetings that are held at times and places prescribed in a schedule previously adopted by resolution of the Board.

4. Any member of the Board may act at any Board meeting by appointing, in writing whether in original, by telefax, cable, telegram or telex, another Director as his or her proxy provided that a Director may not represent more than one other Director.
5. Any Director who participates in the proceedings of a Board meeting by means of a communication device (including a telephone or video conference) which allows such Director to be identified and all Directors present at such meeting (whether in person or by proxy, or by means of such communication device) to hear or to be heard by all of the other members at any time, shall be deemed to be present in person at such meeting and shall be counted when establishing a quorum and shall be entitled to vote in matters considered at such meeting. A meeting held in such manner shall be deemed to be held at the Company's registered office.
6. Directors who participate in Board meetings by means of such communication device shall ratify their votes so cast by signing one copy of the minutes of the meeting.
7. Subject to § 26.8 below the Board can deliberate and/or act validly only if at least a majority of the Directors is present or represented at a Board meeting.
8. Resolutions of the Board relating to:
 - a) a proposal to the General Meeting regarding the appointment of an auditor; and
 - b) transactions between the Company and its subsidiaries or the Company and Directors or the Executive Committee members.require the approval of the majority of the votes of the Directors present or represented at the meeting provided that the majority includes at least two Independent Directors.
9. Subject to § 26.8 above decisions shall be taken by a majority of the votes of the Directors present or represented at the Board meeting. In the event that at any Board meeting the numbers of votes for and against a resolution are equal, the Chairman of the meeting shall have the casting vote.
10. Notwithstanding the foregoing, a Board resolution may also be passed in writing. Such resolution shall consist of one or several documents containing the decisions and signed by each and every Director (*résolution circulaire*). The date of such resolution shall be the date of the last signature.
11. The Board may invite other persons who are not Directors to attend a Board meeting.
12. In exceptional cases, information on the time and venue of a Board meeting and the proposed agenda thereof may be verbally communicated in addition to sending a written convening notice (as required by the Articles of Association) to a Director or with the use of the means of direct, long distance communication. Such circumstances shall be duly recorded in the relevant minutes of such Board meeting.

§27.

1. Board meetings shall be chaired by the Chairman or a Director designated by the Chairman in writing, or a Director approved by all other Directors present or represented at such meeting.
2. The Chairman or the Director presiding over a meeting shall be required to enable the Directors to discuss freely the matters included on the agenda. Any Director may request an annotation to be made in the minutes of the Board meeting as to the

dissenting vote of such Director in connection with any item on the agenda or resolution adopted by the Board.

3. The Chairman or a Director presiding over a meeting may resolve to give the floor to any persons invited to the Board meeting other than the Directors. Directors shall be entitled to question the persons referred to in the previous sentence.
4. The agenda of a Board meeting can only be amended if all of the Directors are present or represented.

§28.

1. The minutes of any meeting of the Board shall be signed by the Chairman who presided at such meeting, by a vice-chairman (for the avoidance of doubt, and in order to clarify the provisions of article 9.1 of the Articles, it shall be the vice-chairman who presided at such meeting that may sign the minutes) or by any two Directors of the Company. In the event that a given Director refuses to sign the minutes, a special annotation to that effect shall be placed in the minutes.
2. Copies or extracts of such minutes which may be produced in judicial proceedings or otherwise shall be signed by the Chairman or a vice-chairman or by any Director of the Company.

§29.

1. Board meetings shall be recorded in the minutes of the Board meetings.
2. Minutes of the Board meeting shall indicate, in particular:
 - a) the time and venue of the Board meeting;
 - b) the names and surnames of the Directors attending the meeting, together with the names, surnames and positions of persons other than the Directors who are present;
 - c) the names and surnames of Directors represented by proxy with an indication of the Director so representing them;
 - d) the agenda of the meeting;
 - e) information of the resolutions adopted at the meeting and the number of votes cast in respect of individual resolutions; and
 - f) dissenting votes.
3. The Chairman or the Director presiding over a meeting may entrust a person other than a Director with the preparation of the minutes. In such event, the person preparing the minutes shall not be required to sign the minutes.

§30.

Board resolutions shall be adopted in an open vote unless a Director requests a secret ballot.

§31.

1. Minutes of Board meetings and the content of resolutions adopted during such meetings, as well as documents related to the meetings and resolutions, shall be kept by the Company in the register of minutes.

2. The Chairman shall be responsible for the proper maintenance and safekeeping of the register of minutes.
3. All Directors shall be authorized to inspect the minutes of Board meetings and Board resolutions.

REMUNERATION

§32.

1. The remuneration of Directors shall be established on the basis of transparent procedures and principles, taking into account its incentive nature and ensuring effective and smooth management of the Company.
2. The remuneration should correspond to the size of the Company's business, should be in reasonable relation to business results and should be related to the scope of liability in a given function, taking into account the level of remuneration of members of Boards and Executive Committees in similar companies on comparable markets.
3. Remuneration of Directors, in their capacity as directors of the Company, shall be approved by the General Meeting.

§33.

The total amount of remuneration of all Directors, as well as the remuneration of individual members, with a breakdown of its various elements, shall be disclosed in the annual report together with information on the procedures and rules applied to determine it. If the amount of the remuneration of individual Directors significantly differs, it is recommended that a relevant explanation is published. Pursuant to Luxembourg law where a Director is delegated the day-to-day management of the Company the Board shall report annually to the General Meeting on the remuneration and other benefits paid to such Director.

AUDIT COMMITTEE

§34.

1. The Board may adopt a resolution establishing an Audit Committee (the “**Audit Committee**”) to assist the Board in discharging its responsibilities in the areas of financial reporting, internal inspections and risk management.
2. The Board shall define the composition, competencies and working rules for the Audit Committee in the form of resolutions.

§35.

The tenure of a member of the Audit Committee expires at the same time as his mandate of Director comes to an end. Prior to the expiration of the tenure of a Director, the Board may pass a resolution revoking such member from the Audit Committee.

§36.

1. Audit Committee meetings shall be convened by any two members of such committee as needed to ensure the performance of its relevant duties.
2. Minutes of Audit Committee meetings and resolutions shall be made available to the Directors who are not Audit Committee members.

§37.

The Audit Committee shall prepare and deliver reports to the Board on its activity in the reporting period.

§38.

1. The Audit Committee shall be comprised of not less than three and not more than five Directors, all of whom shall be Non- Executive Directors and at least one of whom shall be an Independent Director.
2. The work of the Audit Committee shall be chaired by an Independent Director appointed by the Chairman of the Board. At least one member of the Audit Committee shall possess the relevant qualifications and experience in accounting and finance.

§39.

1. The duties of the Audit Committee include the following:
 - a) advising the Board with respect to:
 - i. complying with the relevant provisions of law in the field of accounting, finance, taxes and public company reporting; and
 - ii. the Company or the Board cooperating with the auditor;
 - b) advising the Board in relation to the proposal to the General Meeting to appoint an auditor for the Company, including in particular providing recommendations as to its appointment; and
 - c) ongoing contacts with the Company's auditor, especially in the event of any irregularities noted by the auditor in any audit areas.
2. The Audit Committee may invite particular Directors, Company employees, as well as experts and advisors to its meetings, where their presence is justified by the subject matter to be discussed by the Audit Committee at the meeting.
3. The Audit Committee shall prepare and submit a report to the Board, within three months of the end of the Company's accounting year, on its work conducted in the reporting year. The report should be made available to the Company's Shareholders. This report shall in particular cover:
 - a) matters discussed by the Audit Committee at its meetings in the reporting year;
 - b) decisions made by the Audit Committee in the reporting year; and
 - c) matters that the Audit Committee wishes to bring to the Board's particular attention, with a justification of such selection and the Audit Committee's opinion and optionally, the Audit Committee's recommendations as to the Board's decision to be adopted on such matters.

FINAL PROVISIONS

§40.

Any and all documents prepared based on these Regulations, and in particular any invitations to Board meetings, minutes of Board meetings and Board resolutions, may be drafted in French or English.

§41.

Any and all amendments hereto shall be made pursuant to a resolution of the Board.