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Campinas, 06/09/2015

## SERVICES PROPOSAL

Dear Sirs,

here enclosed we are presenting the mainframe of the services that ROMA can offer to assist you in order to promote business developments into the Brazilian automotive market.

ROMA can offer such services to

- Brazilian companies, for
  - reorganization and turnaround plans,
  - improvement projects,
  - development of automotive new markets / customers;
- foreign companies, for entering Brazilian market in order to
  - start or improve your export of automotive components / systems
  - improve the local assistance to your Brazilian existing customers
  - establish your local commercial / technical offices
  - open a local industrial subsidiary

In addition, we also operate in connection with other Latin American countries, particularly Argentina, Colombia, Ecuador and Mexico.

Our experience and our historical tracking are the reference to propose us as your partner for Brazilian projects.



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## **1 – SCOPE OF THE ACTIVITIES**

### **1.1 Advisory for management and business**

- Business strategies.
- Restructuring and reorganization. Turnaround plans.
- “Temporary Manager” services.
- Projects to improve the business performance.

### **1.2 Focused automotive market analysis**

- Demand & Offer market analysis and trends
- Key Success Factors identification & Business Opportunities outlook

### **1.3 Initial market introduction**

- Presentation to potential automotive customers in Brazil
- Seeking opportunities to supply target automotive customers (OEM, Tier1 and Auto-parts, Production Systems)

### **1.4 Commercial activities with hunted customers**

- Offers presentation and negotiation
- Contracts celebration & commercial follow-up

### **1.5 Logistics assistance**

- International transports (air / sea) & local logistics
- Import process & Customs clearance and operations
- Local storage & deliveries

### **1.6 Technical and Quality interface for the local customers**

- Logistic and technical follow-up
- Quality tracking and claims management
- Technical issues (product and process modifications, prices evolutions, etc.)

### **1.7 Assistance for projects of local installation (commercial, technical, industrial)**

- Analysis of the project feasibility:
  - MOST analysis (Mission, Objectives, Strategy and Tactics),
  - SWAT analysis (Strengths, Weaknesses, Opportunities, and Threats),
  - Business Plan
- Analysis and opening process of the local company and process for import license
- Local incentives for the installation (also in partnership with municipality of Hortolândia - SP)
- Local incentives for industrials investments
- Local search for areas/sheds (renting/buying). Assistance for civil construction and industrial installations
- Local search for machines and production equipment, with local funding plans
- Process of regularization of foreign capitals & process for work visa and business visa
- Analysis of the tax classification of imported products / services
- Calculation, simulation and optimization of the importation costs
- Temporary and permanent imports of capital goods: license, transport and customs clearance
- Logistics and imports (door-to-door, free-port, storage, delivery)
- Optimization of industrial processes (internal logistics, manufacturing, quality, purchasing)

## **2 – ROMA's PARTNERSHIPS**

For its activities, ROMA also relies on the support of its network of specialized partners.

### **2.1 Technical consultants (Brazil)**

In addition to its own internal competencies, ROMA also cooperates with technical consultants and freelancers specialized in product engineering, process optimization, quality management, industrial logistics and supply chain, purchasing and procurement, management control.

### **2.2 Brazilian partnerships**

- 2.2.1 **BUSINESS DEVELOP (São Paulo - SP)** – Automotive consulting company, mainly specialized in business development.
- 2.2.2 **COEXPORT (São Paulo - SP)** – Services for companies' internationalization.
- 2.2.3 **ADM OFFICE (Hortolândia - SP)** – Business center and operational support.
- 2.2.4 **ESCRITORIO PARANÁ (Hortolândia - SP)** – Administrative and accounting services. Opening and domiciliation of new companies.
- 2.2.5 **THIOLLIER ADVOGADOS (São Paulo - SP)** – International legal services.
- 2.2.6 **ACE INTERNACIONAL (São Paulo - SP)** – Consulting services and assistance for international trade.
- 2.2.7 **ACTION CARGO (São Paulo - SP)** – International freights (air and sea) and custom operations.
- 2.2.8 **AERMAR Freight Forwarder (São Paulo - SP)** – Custom operations and import processes.
- 2.2.9 **TRANSWAR (Campinas - SP)** – Local freights (air and road), storage and stock management, delivery.
- 2.2.10 **ABIM COMERCIO EXTERIOR E LOGISTICA (Caieiras - SP)** – Trading company.
- 2.2.11 **INVESTE SP (São Paulo - SP)** – Public agency for the promotion of investments and competitiveness of the State of São Paulo with the objective of attracting investments and promoting business facilitation and articulation with public and private entities.
- 2.2.12 **NOSSA CAIXA DESENVOLVIMENTO (São Paulo - SP)** – Public financial institution of the State of São Paulo, with the objective to offer financial support for initiatives that encourage the development of the productive sectors of the State.
- 2.2.13 **INDI - Instituto de Desenvolvimento Integrado de Minas Gerais (Belo Horizonte - MG)** – Public agency for the promotion of investments and competitiveness of the State of Minas Gerais with the objective of attracting investments and promoting business facilitation and articulation with public and private entities.
- 2.2.14 **BDMG - Banco de Desenvolvimento de Minas Gerais (Belo Horizonte - MG)** – Public financial institution of the State of Minas Gerais, with the objective to offer financial support for initiatives that encourage the development of the productive sectors of the State.
- 2.2.15 **PREFEITURA de HORTOLÂNDIA (SP)** – Privileged relationships for new industrial installations in the municipality of Hortolândia.

### 2.3 Latin American partnerships

- 2.3.1 **PROEXPORT (Bogotá - Colombia)** – Organism of the Ministry of Industry of the State of Colombia for the internationalization of the local industry (with a specific program to support the development of Colombian auto parts companies in the Brazilian market).
- 2.3.2 **A&C (Buenos Aires - Argentina)** – Automotive consulting company.
- 2.3.3 **CINAE - Camara de la Industria Automotriz Ecuatoriana (Quito - Ecuador)** – Association of Ecuadorian automotive industry.
- 2.3.4 **COFOCE (Leon - Guanajuato - Mexico)** – Organism of the Ministry of Industry of the State of Guanajuato (Mexico) for the internationalization of the local industry (with a specific program to support the development of local auto parts companies in the Brazilian market).

### 2.4 International partnerships

- 2.4.1 **ACCEDIS (Alba – Italy)** – Providing services tailored for entrepreneurs and senior management. ACCEDIS offers advisory in business strategies, restructuring & reorganization, management & control, sales & marketing, industrial area, supply chain, ICT, human resources, temporary management. Specific services for the food industry.
- 2.4.2 **BUSHIDŌ CONSULTING (Torino - Italy)** – Full support to the automotive companies, from start-up and preparation of business plans and presentations for venture capital projects, up to the creation of marketing strategies, new business development, internationalization and optimization of processes.
- 2.4.3 **INTERNATIONAL PROJECT (Milano - Italy)** – Project to combine the expertise of specific professional organizations in order to offer a complete service for Italian entrepreneurs wishing to internationalize their activities, particularly in Brazil.
- 2.4.4 **FROM CONCEPT TO CAR (Torino - Italy)** – Specific project of the “*Piemonte Agency for Investments, Export and Tourism*” (public agency of the Piedmont Region), dedicated to the internationalization of the local auto parts companies.
- 2.4.5 **ICE – Istituto per il Commercio Estero (Italy)** – Public rights agency for the promotion abroad and for the internationalization of Italian firms.
- 2.4.6 **Italian automotive consultants (Italy)** – A wide network of local free-lance automotive consultants.
- 2.4.7 **P&T (Hong Kong - China)** – Automotive consulting company, mainly for prospecting Chinese automotive suppliers (exploration, selection, qualification and follow-up).
- 2.4.8 **METRIC CONSULTANCY (Pune - India)** – Marketing and econometric consultancy services, also specialized in automotive consultancy.
- 2.4.9 **M.E. INTERNATIONAL (Toronto - Canada)** – Automotive consulting company (also specialized in Asia, mainly Thailand).

### 3 – CUSTOMERS ACCESS

ROMA has (or had in the last years) business relationships with the main following Brazilian customers.

Carmakers OEM	Tier1 and Auto-parts		Production Systems
<ul style="list-style-type: none"> <li>• AGCO</li> <li>• CATERPILLAR</li> <li>• CNH - Case New Holland</li> <li>• FCA - Fiat Chrysler</li> <li>• FORD</li> <li>• GENERAL MOTORS</li> <li>• HONDA</li> <li>• IVECO</li> <li>• YAMAHA</li> <li>• MAN Latin America</li> <li>• MERCEDES</li> <li>• MITSUBISHI</li> <li>• NISSAN</li> <li>• RENAULT</li> <li>• PSA - Peugeot Citroen</li> <li>• SCANIA</li> <li>• TOYOTA</li> <li>• TROLLER</li> <li>• VOLKSWAGEN</li> <li>• VOLVO</li> </ul>	<ul style="list-style-type: none"> <li>• AETHRA</li> <li>• AISIN</li> <li>• ASTEN</li> <li>• AUTOLIV</li> <li>• AUTOMETAL</li> <li>• BENTELE</li> <li>• BREMBO</li> <li>• BOSCH</li> <li>• BROSE</li> <li>• CONTINENTAL</li> <li>• DANA</li> <li>• DELPHI</li> <li>• DENSO</li> <li>• EBF VAZ ECOPADS</li> <li>• ENGEMET</li> <li>• ELTEK</li> <li>• ENGRECON</li> <li>• FAURECIA</li> <li>• FCI</li> <li>• FICOSA</li> <li>• FPT Fiat Powertrain</li> <li>• GRAMPOS AÇO</li> <li>• GT DO BRASIL</li> <li>• INDEBRAS</li> <li>• IRAMEC</li> <li>• ITAESBRA</li> <li>• KEIPER PREVENT</li> <li>• IOCHPE MAXION</li> <li>• NEUMAYER TEKFOR</li> <li>• LEAR</li> <li>• MAGNA</li> </ul>	<ul style="list-style-type: none"> <li>• MAGNETI MARELLI</li> <li>• MAHLE-BEHR</li> <li>• MANN+HUMMEL</li> <li>• MECAPLAST</li> <li>• METALPO-COMBUSTOL</li> <li>• MGI COUTIER</li> <li>• MONTEPINO</li> <li>• MWM</li> <li>• NEMAK</li> <li>• PIERBURG</li> <li>• PLASCAR</li> <li>• POLIMETRI</li> <li>• PRESSAC</li> <li>• PROEMA</li> <li>• SHW</li> <li>• SODECIA</li> <li>• STOLA</li> <li>• TAKATA</li> <li>• TECNOCURVA</li> <li>• TENNECO</li> <li>• THYSSENKRUPP</li> <li>• TEKSID</li> <li>• TIBERINA</li> <li>• TOWER</li> <li>• TUPER</li> <li>• TRW</li> <li>• VALEO</li> <li>• WABCO</li> <li>• WITZENMANN</li> <li>• ZF</li> <li>• ...</li> </ul>	<ul style="list-style-type: none"> <li>• ABB</li> <li>• COMAU</li> <li>• CORDELLA</li> <li>• DURR</li> <li>• EISENMANN</li> <li>• EURONOBRE</li> <li>• FANUC</li> <li>• FIVES CINETIC</li> <li>• GME</li> <li>• KUKA</li> <li>• MECNIL</li> <li>• PROMAC</li> <li>• ROSLER</li> <li>• SIECAB</li> <li>• SYSTEM LOGISTICS</li> <li>• SPI INTEGRADORA</li> <li>• TAIKISHA</li> <li>• TELEROBOT</li> <li>• THYSSENKRUPP</li> </ul>

However, thanks to our extensive network into the Brazilian automotive world (more than 1.000 direct contacts and more than 25.000 LinkedIn second level contacts), ROMA is able to have access to most of the other Brazilian automotive companies with which we don't (or didn't) have business relationships yet.

## **4 – ROMA's REMUNERATION**

### **4.1 Emolument for the ROMA services**

Depending of each service offered, ROMA is proposing three different emolument systems, as follows:

#### **4.1.1 Hourly or daily remuneration**

- For sporadic activities, ROMA operates at hourly or daily fee.
- As sporadic activities we consider "services on demand" or "short services", not in the context of a general project (for example: specific meeting, visit at a customer site, spot contact with an entity, spot analysis, etc.).

#### **4.1.2 Package remuneration**

- For "closed activities", where can be identified a starting and final point with a clear output, ROMA can negotiate a fee as lump sum.
- The amount of such fee is depending of the kind and the complexity of requested activity.

#### **4.1.3 Commercial commissions and fees**

- For continuous commercial activities, ROMA operates by
  - a commercial commission (as percentage of the value of the generated business)
  - a fixed fee in monthly absorption on the commission.
- When the monthly commission is lower than the fixed fee, just the fixed fee is paid. When the monthly commission will be higher than the fixed fee, just the commission is paid.

### **4.2 Reimbursement of expenses**

All the operational and extraordinary expenses should be reimbursed to ROMA.

#### **4.2.1 Operational expenses**

- As operational expenses we consider the activities in the São Paulo region (area of normal ROMA carrying out):
  - monthly fixed reimbursement of telephone expenses;
  - kilometric reimbursement for use of company or private car, at the current rate in Euro/Km, and motorway tolls;
  - other travelling expenses (hotel, restaurant, etc.).

#### **4.2.2 Extraordinary expenses**

- As extraordinary expenses we consider:
  - any additional expense out of São Paulo region (as air freights, car rental, travel expenses, etc.);
  - specific expenses (such as special accommodations, gifts, invitations, or similar), that may be necessary for the performance of the activities (urgent or strategic) proposed by ROMA and / or requested by the Brazilian customers and / or solicited by you.

#### **4.2.3 The extraordinary expenses will be authorized in advance by you.**

All expenses will be monthly reimbursed to ROMA upon presentation of proofs of the expenditures.

#### **4.2.4 Informatics system, administrative services and secretarial support are included in the emolument defined in the paragraph 4.1 above.**

#### 4.3 Brazilian taxes on services

The values related to the emoluments, defined in the paragraph 4.1 above, are net values, excluding the Brazilian taxes (PIS, COFINS, CSLL, IRRF, ISSQN) and excluding the Brazilian Central Bank fees for change contracts.

Currently the full Brazilian taxes are 10,72% for services invoiced to foreign customer and 15,38% in case of invoice to Brazilian customer.

In addition, in case to invoice to foreign customer, currently the Brazilian Central Bank fees for change contracts are 0,20% (CPMF fee) and a fixed fee of R\$ 190,00 for each currency change operation.

#### 4.4 Payments to ROMA

For the payment of the emoluments, ROMA will present the corresponding invoice, increased by the applicable taxes, together with a report with a calculation detail of these amounts.

The invoice will be sent by ROMA by the 5<sup>th</sup> day of each month for payment by bank transfer up to 30 days from the invoice date.

For the payment of the expenses, ROMA will send a monthly summarized expense report, together with the proofs of the expenditures, by the 5<sup>th</sup> day of each month for payment by bank transfer up to 30 days from the issued date.