

## **Standards and Criteria for Obtaining Authorization as an Authorized Service Center (Workshop) for Maintaining BMW and MINI Vehicles**

In order to serve as an Authorized Service Center of Delek Motors Ltd. (hereinafter: "Delek Motors" and/or "the Importer") for servicing vehicles of the BMW and MINI Car Manufacturer models, the Service Center (hereinafter: "the Service Center") that is interested in serving as an Authorized Service Center, is required to comply with the requirements that will be detailed below, as derived from the directives of the Licensing of Services and Professions in the Vehicle Industry Law, 5776-2016 (hereinafter: "the Licensing Law").

It is made clear that these terms might change from time to time, and the Service Center seeking the said Authorization, will be required to keep updated on the changes as these will be posted on this Website. For further details and explanations, the Delek Motors service department may be contacted at the following phone number: 08-9139995.

### **A. Structure:**

- Interior and exterior appearance of the structure in accordance with the "Definitions for Setting Up a Service Center" (hereinafter: "The Standards Manual"), which is attached, and which details the required characteristics.
- Signage and symbols in accordance with the manufacturer/importer's definitions as detailed in the Standards Manual.

### **B. Floor Space:**

The Service Center floor space is required to house all of the Departments / Work Spaces / Operations Spaces / Amenities Spaces, as detailed in the Standards Manual, which shall be no less than 800 sq.m., roofed.

All the departments are required, at a size / floor space / quantity as specified in the indices listed in the Standards Manual, divided as follows:

1. Mechanic works, diagnostics, electricity and air conditioning - a minimum number of work stations as defined in Clause C below.
2. Body and paint work - the work stations for this department are defined in the Standards Manual. They come in addition to the abovementioned work stations.
3. Spare parts warehouse.
4. Specialty tools room.
5. Customer waiting area.
6. Service Center Manager office.
7. Reception desk for registering entries, secretary and cashier.
8. Customer restrooms, disabled restrooms, kitchenette.
9. Service consultants space.
10. Vehicle reception and joint inspection/testing space.
11. Employee rest area.
12. Meeting and training room.
13. Vehicle parking area.
14. Warranty claims warehouse.
15. Additional work areas, as specified in the Standards Manual.
16. Showroom, accessories and lifestyle sales area.

**C. Work stations and equipment (minimum):**

1. Lifts for private cars according to the manufacturer / Delek Motors specification, lifting capacity: up to 4 tons - 8 pcs. The station floor area shall be as specified in the Standards Manual.
2. Joint inspection/testing station lift for private cars, lifting capacity: up to 4 tons - 1 pcs. The station floor area shall be as specified in the Standards Manual.
3. Work Stations without a lift - 3 pcs. The station floor area shall be as specified in the Standards Manual.
4. As a minimum one work station modified to service electric/hybrid vehicles as per the manufacturer/importer specifications.
5. Special tools and diagnostic equipment as per the requirements of the manufacturer/importer. Details will be provided on demand (the manufacturers' requirements vary).

**D. Authorities approval:**

To set up the Authorized Service Center, the Owner of the Service Center is required to receive a license in accordance with the provisions of the Licensing Law and to fulfill all of the requirements specified in it, in the regulations installed under the law and the requirements of the Ministry of Transport, as issued from time to time.

In addition, the Service Center is required to comply with the requirements of the various authorities, and in particular - the requirements from the local authority, the National Fire and Rescue Authority, etc.

**E. Manpower (minimum):**

The manpower requirements are worded in the masculine gender for convenience purposes only. They are intended for both genders equally. All of the persons engaged in work shall be salaried full-time employees of the Service Center.

1. 2 service reps (receptionists).\*\*
2. 2 service consultants.\*\*
3. 1 foreman, fully conversant in English (with a minimum of 5 years of experience).\*\*
4. 1 diagnostics person, fully conversant in English (with a minimum of 3 years of experience).\*\*
5. 1 electrician, with a certificate of qualification (with a minimum of 3 years of experience).\*\*
6. 4 mechanics.
7. 1 warehouse worker.\*\*
8. 1 claims clerk.\*\*
9. 1 car body repairman, with a certificate of qualification, including Class 80 from the Ministry of Labor/Transport, permitted to work on the chassis (with a minimum of 5 years of experience).
10. 1 paint shop worker, with a certificate of qualification.
11. 1 cleaning person.

\*\* These roles are required to successfully undergo the Company's training and certification prior to receiving the authorization.

All of the abovementioned definitions are, of course, in addition to the legal requirements and the requirements of the Ministry of Transport.

**F. Spare parts:**

The minimum spare parts inventory (initial stocking) for the BMW and MINI models prior to receiving the authorization, for the delivery of an adequate service level - NIS 200,000 at cost values.

**G. The terms of the engagement:**

1. The shareholders must sign the Contract Agreement with Delek Motors, including issuance of all the insurances required by the Company's insurance consultants. Details are available upon request.
2. Guarantees to secure his commitments to Delek Motors in accordance with the Company's requirements (bank guarantee and/or credit insurance, personal guarantees).

**H. Computers:**

Computing equipment (hardware) and an operating software at the Service Center, according to the manufacturer/importer requirements, which include:

1. An online connection to the manufacturer/importer systems for the operating activities.
2. Work with the Musachit 2000 system from Eyal Software Solutions Ltd., to manage all of the works at the Service Center and the communication with the Delek Motors computer system.
3. A desktop computer, including printer, connected ONLINE + Internet - for each relevant employee: The Manager of the Service Center, the foreman, the service representatives, the service consultants, warehouse, claims.
4. Computerized warehouse + barcode.
5. Landline Internet infrastructure for each work station.
6. 2 Internet networks: One for the ongoing work at the Service Center, including communication with the importer's system, and one - an open network (WIFI) for the customers' use.

**I. General:**

1. Work uniforms for the employees as per the importer's definitions.
2. The Service Center must be ISO-9002 certified for work processes at the Service Center prior to receiving the authorization.
3. Annual instrument calibration - a contract agreement with a suitable company and calibration certificates must be produced prior to receiving the authorization.
4. Everything specified in this document shall be carried out fully at the expense of the Owner of the Service Center.

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