

Standards and Criteria for Obtaining Authorization as an Authorized Service Center

1. Service Center Structure:

- a. Interior and exterior appearance of the Service Center as it appears in the attached Standards Manual and includes reference to all the characteristics, technical details and specifications for the entirety of the spaces in the Service Center - the customer environment, the working environment, the operation, employee welfare, supporting offices and also reference to the interior and exterior signage, interiors, etc.

2. Service Center Space:

A roofed area shall be no less than 1,000 sq.m. and shall include all the departments, according to the following division:

The data below are the lowest threshold. For details, see the Standards Manual.

- a. Mechanic works, diagnostics, electricity and air conditioning - no less than 600 sq.m.
Electricity/air/oil pressure piping shall be concealed in the walls with a node on the wall face.
Including one work station as a minimum for electric vehicles.
- b. Body repair work and paint - no less than 200 sq.m. In addition, a paint oven, paint room.
- c. Spare Parts warehouse - no less than 50 sq.m.
- d. Customer environment, including a service counter, customer waiting room facing the work floor, service consultants stations, customer restrooms including disabled restrooms, kitchenette/cafeteria - approximately 90 sq.m., furnished as specified in the Standards Manual.
- e. Required rooms/offices - Service Center Manager, foremen, assembly reworking, employee restrooms on the work floor, special tools.
- f. Employee welfare, including (60 sq.m.) - restrooms, employee showers and changing room, employee dining hall + equipment.
- g. Vehicle parking area, at the reception and after completion of work + access routes + charge stations for electric vehicles in accordance with the dimensions and parking space key specified in the Standards Manual.
- h. Oil farm - including a burnt oil tank and oil supply tanks or alternatively a storage area for oils in gallon cans + an area for grease barrels etc. + cooling water storage and everything else necessary according to the environmental regulations.



3. Equipment:

- a. Lifts for private cars of up to 4 tons - 6 pcs (2 columns).
- b. Lifts for commercial vehicles of more than 4 tons (for example, Transit and F pickups) - 6 tons - 2 pcs. (4 columns + screw). For a Service Center seeking authorization for commercial vehicles.
- c. Lift for heavy machines of up to 8 tons - 1 pcs. For a Service Center seeking authorization for military and police vehicles.
- d. Special tools and diagnostic equipment as per the requirements of the manufacturer/importer.
- e. Recessed paint oven and adjoining paint room.

Electric vehicle equipment:

- f. Special station (lift) for repairing electric vehicles (two columns)
- g. Tools according to procedure 146 of the Ministry of Transport
- h. Charge station adjoining the repair station (lift)

4. Authorities approval:

- a. Compliance with Ministry of Transport requirement for obtaining an automotive workshop license (mechanical, air conditioning, electricity/electronics, high voltage [certifications level 1/2/3 as per Ministry of Transport requirements]). One certified worker for each of the professions.
- b. Compliance with the requirements of the local authority, police, fire department, etc.
- c. Body repair and paint according to Ministry of Transport license. One certified worker for both professions.
- d. Compliance with Ministry of Labor requirements regarding employment of employees and regarding occupational safety.



5. Manpower (minimum) - all of the persons employed shall be salaried employees of the workshop:

- a. 2 service reps at the reception counter.
- b. 2 service consultants (at least one with 3 years' experience).
- c. A tester that has been certified by the Service Center's professional manager for performing the testing.
- d. Foreman, with Level 3/advanced autotronics certification and/or certification as a workshop manager, fully conversant in English (minimum 5 years experience).
- e. Electronics technician (practical engineer/technician) for diagnostics, fully conversant in English (minimum 4 years experience).
- f. Electrician, certified to Level 3/advanced autotronics (minimum 4 years experience).
- g. Air conditioning technician, certified to Level 3/advanced autotronics (minimum 4 years experience).
- h. 5 mechanics (2 of whom have occupational classification certificates Level 3 and with a minimum of 4 years experience).
- i. Warehouse person (minimum 3 years experience).
- j. 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).
- k. Paint shop worker, with a certificate of qualification (minimum 5 years experience).
- l. Two employees with certificates of qualification as Workshop Managers are required - one shall be designated as the professional manager and the second shall be his deputy. They shall be reported to the authorities as required by law.
- m. Claims trustee (minimum 3 years experience).

6. Finance:

A minimal spare parts inventory in the warehouse, for providing the minimal required service level, approximately NIS 300,000 at cost values to the Service Center.

- a. Business insurance, employers liability, third party \$5,000,000 professional liability insurance.
- b. In the first year in business, a bank guarantee for NIS 600,000 shall be provided to guarantee all his purchases.
- c. From the second year onwards, credit insurance will be sufficient for covering the ongoing acquisition of the spare parts under the credit terms (Current + 30).



7. Computerization:

- a. Musachit 2000 software including all the modules required for managing the Service Center at the required service level.
- b. Connection to the Company system for obtaining repair authorizations for warranty and maintenance agreement repairs.
- c. Electronic spare parts ordering from the Spare Parts Division, including purchasing of the electronic spare parts catalog.
- d. Internal computer network providing a complete computerized solution for all the relevant roles including sales reps, service consultants, foremen, tester, warehouse, diagnostician.

** A computer work station is required on the work floor for every two technicians.

8. General:

- a. Clothing for the employees in all the various roles according to the Company's specifications.
- b. The Service Center is responsible for full compliance with all the legal definitions and criteria of the various government ministries, and in particular the Ministry of Environmental Protection (waste disposal, oils draining, water cycle, etc.), Ministry of Labor (performing one safety audit per year and appointment of a "Safety Trustee" etc.).
- c. The Service Center shall be ISO-9002 certified for operating all of the workshop systems.
- d. Instrument calibration once a year - mandatory.
- e. Proven ability to deliver on all the specifications in this document - a prerequisite.
- f. Everything specified in this document shall be carried out fully at the expense of the Owner of the Service Center.
- g. The specifications may be updated from time to time according to the manufacturer instructions and for other reasonable reasons, including changes in the legal directives.
- h. This document is written in the male gender for convenience purposes but applies to men and women alike. Whatever has been written in the male gender should be regarded as equally applicable to the female gender.