



**Plasman Plastics, Inc.
Terms and Conditions of Purchase**

Date: October 1, 2025

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These Terms and Conditions of Purchase (the “Terms”) are incorporated into every Purchase Order through which Plasman Plastics, Inc. and each of its subsidiaries and affiliated companies (“Buyer”) purchases Goods from any supplier (“Seller”). The particular Buyer and the particular Seller are the entities designated as such on the Purchase Order. As used in these Terms, the Purchase Order means not only the Purchase Order itself, but also the Terms, any Releases, and any other incorporated documents, as well as any modifications to any of these documents. As used in the Terms, the Goods are the products, parts, components, Tooling, matters, services, or materials (including related documentation and the source code and object code of any software), the delivery of which is the subject of the Purchase Order.

1. Application

- 1.1. The Purchase Order governs Seller’s deliveries of the Goods to Buyer. Buyer rejects any other terms or conditions, including any terms of Seller or any additional or contradicting terms or conditions in any offer or acceptance of Seller, which are not part of the agreement between the parties. No action or inaction on the part of Buyer, including acceptance of, or payment for, any Goods, is an acceptance of any terms other than the Terms.
- 1.2. The Purchase Order is the entire and final agreement between Buyer and Seller and supersedes any prior or contemporaneous negotiations or agreements regarding the Goods.
- 1.3. The Purchase Order may not be amended or modified, nor may any collateral agreements be formed, unless the amendment, modification, or agreement is in a writing signed by Buyer that expressly references the Purchase Order or these Terms.
- 1.4. Seller’s acceptance is expressly limited to the terms of the Purchase Order or

these Terms. The Terms are not binding on Buyer until accepted by Seller in the form hereafter specified. The Purchase Order and the Terms constitute the entire agreement between Seller and Buyer and supersede all prior or contemporaneous oral or written agreements, representations, and/or communications. In case of any discrepancy or conflict between these Terms and any frame agreement or a purchase order referring to these Terms, the terms and conditions set out in the respective frame agreement or purchase order shall prevail. In the event the Seller refers to its own conditions of purchase and such conditions are in conflict with any provisions in these Terms, these Terms shall supersede the Seller’s own conditions regardless of whether Buyer previously has objected to the Seller’s conditions or not.

- 1.5. Buyer may make a general update of these Term’s and shall notify the Seller of such update immediately after they are published on Buyer’s website or otherwise made available to Seller as per Buyer’s routines from time to time. The Seller may object in writing to such

general update of the Terms within two weeks from the receipt of the notice from Buyer in the event the made updates have a material effect on the Seller's costs and/or the Seller's fulfilment of the Agreement. The updated version of the Terms will become effective between the Parties if the Seller does not make an objection due to the above-mentioned circumstances within the said two-week period.

2. Offer and Acceptance

- 2.1. A Purchase Order is Buyer's offer to Seller. Until it is accepted under Section 2.2, Buyer may revoke any Purchase Order at any time without incurring any liability to Seller.
- 2.2. Seller accepts the Purchase Order, in its entirety and without modification, by agreeing to it in writing or taking any step in furtherance of performing its obligations under the Purchase Order, including engineering, design, development, or manufacturing work, procuring raw materials or equipment, or beginning to manufacture the Goods.

3. Fixed-Quantity and Requirements Contracts

- 3.1. Fixed-Quantity Contracts: If the Purchase Order states a specific quantity (other than "0," which indicates a 100% requirements contract under Section 3.1), the Purchase Order is a fixed-quantity contract. Seller must supply Buyer with

the specified quantity of Goods, and Buyer must purchase from Seller that quantity of Goods at the price indicated. Seller must deliver the Goods to the locations and at the times specified in the Purchase Order or in any Release issued by Buyer.

- 3.2. 100% Requirements Contracts: If the Purchase Order does not state a specific quantity, or if the Purchase Order states the quantity as "0," "REQ," "100% REQ," "100%," "AS REL," "as released," or similar, the Purchase Order is an exclusive 100% requirements contract. Seller must deliver to Buyer all of the Goods ordered, and Buyer must pay for those Goods as stated in the Purchase Order. Seller must deliver the Goods in the quantities, at the times, and to the locations in any Release issued by Buyer. The Buyer's needs for the Goods are determined primarily by the needs of Buyer's customer. Buyer will determine its needs for Seller's Goods, including quantities and delivery dates, and communicate those quantities and delivery dates to Seller through Releases.

- 3.3. Less-Than-100% Requirements Contracts: If the Purchase Order states the quantity as a specific percentage of Buyer's requirements that is less than 100% (such as "70% REQ," "70%," or similar), the Purchase Order is a requirements contract and is exclusive to Seller as to the indicated percentage of Buyer's requirements. Buyer will order exclusively from Seller the indicated

percentage of the Goods that Buyer may need during the Term of the Purchase Order (as defined below). Seller must deliver to Buyer all of the Goods ordered, and Buyer must pay for those Goods as stated in the Purchase Order. Seller must deliver the Goods in the quantities, at the times, and to the locations in any Release issued by Buyer. The Buyer's needs for the Goods are determined primarily by the needs of Buyer's customer. Buyer will determine its needs for Seller's Goods, including quantities and delivery dates, and communicate those quantities and delivery dates to Seller through Releases.

4. Firm Delivery Dates and Quantities / Capacity

- 4.1. The Purchase Order or Release may specify a firm quantity of Goods or a firm quantity of raw materials or components, as well as a firm delivery date. All firm quantities and delivery dates are binding on both Buyer and Seller.
- 4.2. Seller acknowledges that the automotive industry runs on "just in time" inventory, and therefore time is of the essence for all obligations of Seller under the Purchase Order, including for the firm quantities and delivery dates identified in the Purchase Order or in any Release; provided, however, if Buyer's releases, broadcasts, or written requirements or instructions request a delivery faster than the lead time set forth in the Purchase Order, Buyer and Seller will agree on a

delivery time as close to Buyer's requested date as is commercially possible.

- 4.3. Unless the Purchase Order, Release, or a separate agreement between the parties states otherwise, the only quantities on a Release that are firm are those shown for the first two weeks (for finished goods) and the following four weeks (for raw materials only).
- 4.4. Unless expressly identified as firm, all quantities and delivery dates in the Purchase Order, any Release, or any other document are estimates, are for planning purposes only, and Buyer has no obligation to Seller for them.
- 4.5. If Seller delivers Goods in advance of Buyer's firm delivery schedule, Buyer may either: (A) return the Goods at Seller's expense for proper delivery; or (B) withhold payment for the Goods until the scheduled delivery date and place such Goods in storage, at Seller's expense, until the scheduled delivery date. Buyer may return and is not required to pay for the Goods delivered to Buyer in excess of quantities ordered or for Goods that are otherwise nonconforming. Buyer may make such excess or non-conforming goods available for pick up by Seller at Buyer's facility and, if after fourteen (14) calendar days written notice to Seller, Seller has failed to retrieve (or make other arrangements satisfactory to Buyer for the retrieval of) such excess or non-conforming goods, then Buyer has the

right to dispose of such goods at Seller's costs. Buyer may, at any time, request changes, modifications, additions, or deletions to or in a specific Specification, Good, service, capacity, call-off or Purchase Order. Such a request is made by using a change order. The Seller shall within a reasonable time send to Buyer a change proposal with information on data and cost relevant to the proposed change(s) and modification(s). The Seller undertakes to make such changes following agreement on new prices and/or time for delivery. All reasonable, unavoidable, and verified direct costs resulting from changes and/or modifications in accordance with clause 8.1 shall be borne by Buyer. The Seller shall provide Buyer with all relevant documentation in such form and detail as Buyer may direct. If and to the extent a change order results in cost or time savings for the Seller, Buyer shall be entitled to an appropriate adjustment of the price of the affected Product or Services. Where quantities and/or delivery schedules are not specified, Seller will deliver goods in such quantities and times as Buyer may direct in subsequent delivery schedules. Further, if Seller's acts or omissions result in or are likely to result in Seller's failure to meet Buyer's delivery requirements and Buyer requires a more expeditious method of transportation for the goods than the transportation method originally specified by Buyer, Seller will be solely responsible for any and all costs and expenses associated therewith.

- 4.6. Delivery must be made pursuant to the Incoterms stated in the respective purchase orders to Buyer and must include the return of the packaging in circulation to Seller. For the avoidance of doubt, if a purchase order does not detail delivery requirements, then delivery must be made DDP (Incoterms 2020).
- 4.7. Seller must notify Buyer immediately in writing of any delays it anticipates regarding delivery of the Goods, stating the reasons for the delay and its best estimate of when such delivery can be made. Should the Seller not deliver the Goods or Services at the agreed delivery dates, and this is not due to any circumstances for which Buyer is responsible, then Buyer may by written notification to the Seller cancel the delayed delivery.
- 4.8. If the Seller fails to deliver the Goods in accordance with an agreed delivery date, the Seller shall, if possible and at its own expense, arrange for a different shipping/transport mode (e.g., air freight) enabling Buyer to take delivery at Buyer's premises as soon as possible. If the delay is caused by Buyer, the Seller shall be entitled to an extension of time in respect of any affected delivery. Such extension shall be for a period of time corresponding to the actual delay in completion of the delivery. Delivery within such extended time shall not be regarded as a late delivery. The Seller has the burden of proof as to the occurrence of a matter that entitles the Seller to an

extension of time and its actual effects on completion of the relevant delivery. If delivery is delayed for reasons due to the Seller, Buyer is entitled to (a) completely or partly terminate the purchase of the Goods or Services which Buyer does consider having no use of due to the late delivery, and (b) make substitute purchases from other suppliers.

4.9. If the Seller is delayed in manufacturing or delivering the Goods or performing the Services, the Seller shall at its own expense be obliged to accelerate the manufacture or delivery of the Goods or Services (e.g., by increasing the number of workers, the number of shifts, the days of work and/or to the extent permitted by Laws and Regulations, to institute or increase overtime operations) in order to regain any time lost and manage the delivery dates agreed.

4.10. If it becomes apparent that Seller will be permanently unable to meet the delivery dates, Seller must, at Buyer's request, immediately surrender all tools and other devices required for production of the Goods so that Buyer may produce or have a third party produce the Goods. Buyer's rights to claim damages are not affected by that request, and Buyer expressly reserves all of its repossession rights and remedies, including the right to claim further damages under any security interest, lien, lease, gratuitous bailment, or any other document that Buyer and Seller may enter into.

4.11. Seller must maintain sufficient capacity to satisfy any quantities, including estimated quantities and reasonable deviations to those estimated quantities, in the Purchase Order or any Release. At any time, and from time to time, Buyer may request in writing that Seller provide written confirmation of its capacity to meet Buyer's requirements.

4.12. Partial deliveries are not accepted without Buyer's prior written approval. If a partial delivery is approved by Buyer, the Seller shall bear any additional transport costs due to such partial delivery. In case of a partial delivery the Seller shall specify the outstanding quantity on the delivery note and invoice pertaining to such partial delivery. Further, delivery shall not be deemed to have taken place until the entire delivery has been performed, regardless of whether Buyer has approved a partial delivery and with exception only to if Buyer has explicitly provided otherwise in Buyer's binding approval.

4.13. If the Seller fails to meet the delivery date as specified in a Purchase Order, the Seller shall pay liquidated damages to Buyer. The liquidated damages shall be an amount equal to the sum of (I) 7.0 % of the price of the delayed delivery per commenced day of delay, (II) the fixed costs and expenses of direct and indirect labor and overhead related to the delayed delivery, and (III) the surcharges made by Buyer's customer (as it may be increased from time to time). The parties

agree that the liquidated damages would be a reasonable measure of such damages.

payment is due based on the date Buyer receives a corrected invoice.

5. Price and Payment

5.1. Each price in the Purchase Order is a fixed price and represents the total price for the manufacturing and delivery of Goods under the Purchase Order. Seller may not adjust prices or invoice additional costs of any nature whatsoever, including, but not limited to, the costs of labor, material, raw materials, fuel surcharges, overhead, and the application of tariffs. The prices do not include applicable sales tax, which will be added from time to time.

5.2. Invoicing:

(A) Seller will invoice Buyer upon delivery of the Goods. Invoices and packing lists must be sent to locations identified by Buyer. For shipments that will cross national borders (exports), the required documentation must be provided to parties identified by Buyer no later than the time of shipment.

(B) Buyer may reject any invoice that does not show the complete Purchase Order number, Release number, and any other numbers necessary to identify the contract under which the Goods were manufactured and delivered. If Buyer rejects an invoice,

5.3. Buyer will pay for conforming Goods at the price stated in the Purchase Order. Payment terms are net 90 days. Unless otherwise stated, all payments are in U.S. dollars and include all storage, handling, packing, freight, insurance, taxes, duties, and any other charge of any nature. Seller represents and warrants that the prices charged to Buyer are no less favorable than those that Seller extends to its most-favored customers for like goods and services.

5.4. Buyer's liability for any of the Goods is limited to the price for those Goods shown on the Purchase Order or Release.

5.5. Buyer is not obligated to pay for defective deliveries until the defect is resolved.

5.6. Seller may not assign to, or have collected by, third parties any of Seller's claims against Buyer. If Seller assigns Seller's claims against Buyer to a third party without Buyer's prior written consent, Buyer may at its choice discharge its obligation either toward Seller or toward the third party.

5.7. If Buyer's customer requires Buyer to reduce Buyer's price during the term of the Purchase Order, then Seller must also reduce its price to Buyer in a proportionate amount.

6. Duration

- 6.1. The duration of the Purchase Order is the life of each vehicle program into which the Goods are ultimately incorporated, including model refreshes as determined by Buyer's customer or ultimate OEM end customer, and including any period during which Buyer will provide service or replacement parts incorporating the Goods to Buyer's customer (the Term). The Term may be lengthened or shortened as a result of Buyer's customer or ultimate OEM end customer increasing or decreasing the life of the applicable vehicle program. Nothing in this section affects Buyer's rights to terminate the Purchase Order in Section 29.
- 6.2. Seller may not terminate the Purchase Order before the end of the Term.
- 6.3. Upon the expiration or termination of any Purchase Order, Seller will cooperate with Buyer and provide all reasonably requested support and information required by Buyer to facilitate Buyer's sourcing of the Goods to a replacement seller. Seller shall continue to manufacture and sell the Goods to the Buyer until a replacement seller has begun manufacturing and selling Goods.

7. Packaging, Shipping, and Proof of Origin

- 7.1. All Goods must be properly packed, labeled, and shipped in order to ensure

the lowest transportation costs, using customary care and diligence. The Goods must be packed according to the packaging specifications of Buyer, and as instructed by Buyer from time to time. Seller will be liable for any damage due to faulty packaging. Unless otherwise provided in the Purchase Order, any charges or costs relating to handling, packaging, storage, or transportation of Goods are borne by Seller and have been included in the piece price of the Goods.

- 7.2. Seller must immediately obtain all documents and other information required under customs provisions or any other applicable state provisions, including drawback documents, proofs of origin, and other information relating to the origin of the Goods and the materials they contain under commercial law or provisions governing preferential trade. The marks on each package and identification of the goods on packing slips, bills of lading and invoices (when required) must be sufficient to enable Buyer to easily identify the Goods purchased.
- 7.3. If Buyer specifies a carrier or a means of transport, Seller must ship the Goods with that carrier and means of transport.

8. Subcontracting

- 8.1. Seller may not subcontract any of its obligations under a Purchase Order without the express written consent of Buyer. Any such consent of Buyer will

not release Seller from, or limit, any of Seller's obligations under the Purchase Order. Seller warrants and guarantees its suppliers and subcontractors will satisfy all requirements and obligations applicable to Seller for Goods delivered to Buyer in connection with the Purchase Order, including the obligation to specify the location from which such Goods will be shipped. Seller's agreements with its suppliers shall contain terms at least as beneficial to Buyer as those contained in the Purchase Order.

- 8.2. Regardless of whether Seller subcontracts any of its obligations under the Purchase Order, Seller remains directly responsible to Buyer for the performance of those obligations.
- 8.3. Seller will actively monitor and ensure that its suppliers and subcontractors for any Goods to be provided under a Purchase Order comply with the obligations of such Purchase Order and these Terms. Seller will be fully responsible for the acts and omissions of its suppliers and subcontractors, including, such acts and omissions that result in Seller failing to comply with or renders Seller in breach of a Purchase Order or these Terms.
- 8.4. Buyer has the option, in its sole direction, to require Seller to assign to Buyer or its designee (and Seller hereby does so assign in the event Buyer so elects) any and all rights, claims, or remedies that Seller has or may have against its supplier or subcontractor in connection

with Goods provided under these Terms or Purchase Order. If Buyer exercises its assignment option: (i) Buyer shall not be, or be deemed to be, a successor in interest to Seller or otherwise responsible for the acts or omissions of Seller or for any counter claims, damage claims, costs, expenses, or similar claims or liabilities that Seller's supplier or subcontractor may have or may assert against Seller; and (ii) Buyer shall not be responsible or liable for any Goods provided by Seller. This provision, whether or not the assignment right is exercised, does not affect or abrogate any of the Parties' rights or responsibilities under these Terms or Purchase Order.

9. Force Majeure

- 9.1. Any delay or failure of either party to perform its obligations under the Purchase Order will be excused to the extent that Seller is unable to produce, sell, or deliver, or Buyer is unable to accept delivery, buy, or use, the Goods, directly as the result fires, floods, windstorms, pandemics, explosions, riots, natural disasters, wars, cybersecurity events, trade wars and related tariff actions, acts of terrorism, and sabotage (excluding all labor issues) (collectively, a Force Majeure Event). Written notice of the Force Majeure Event (including the anticipated duration of the delay) must be given by the affected party to the other party as soon as possible (but in no event more than 10

days after the Force Majeure Event occurs).

9.2. During any Force Majeure Event affecting Seller's performance, Buyer may, at its option, purchase the Goods from other sources and reduce its delivery schedules to Seller by those quantities, without liability to Seller, or require Seller to provide Goods from other sources in quantities and at times requested by Buyer at the price the Purchase Order.

9.3. Seller will use all diligent efforts to ensure that the effects of any Force Majeure Event are minimized and, as promptly as possible, resume full performance under the Purchase Order. If requested by Buyer in writing, Seller will, within five days after Buyer's request, provide adequate assurances that the delay in Seller's performance resulting from the event will not exceed 30 days.

9.4. Regardless of what may otherwise follow from the Agreement, Buyer shall be entitled to terminate outstanding Services or deliveries under a capacity analysis report or a call-off, by notice in writing to the Seller, if the manufacture or delivery of the Goods or related services is suspended under this Section 9 for more than one week.

10. Quality and Compliance with Specification

10.1. All Goods, including prototype and production parts, delivered under the Purchase Order must strictly comply with the Specification. The Specification includes each drawing and written specification approved by Buyer. Buyer may revise or amend the Specification on its own initiative or at the request or suggestion of the Seller. If, during the course of production of any prototype, Seller develops any changes or improvements that it has verified are suitable for the intended purpose and required quality of the Goods, Seller must inform Buyer of that change or improvement so that Buyer may consider amending the Specification accordingly.

10.2. Seller must comply with the accepted state of the art, as well as the agreed Specification, the agreed quality, environmental, safety, and testing rules and regulations, and the agreed technical data. Seller's quality assurance system shall comply with all quality requirements and procedures specified by Buyer, and as set forth in Quality Systems Requirements ISO 9001/IATF 16949. Any change of the Goods or of materials, tools, or production processes (including the location of manufacture) requires the prior written consent of Buyer, and Seller acknowledges that it may often also require the prior written consent of Buyer's customer. Seller must review the Specification and notify

Buyer immediately of any modifications that may be necessary.

10.3. Buyer reserves the right to make, or require Seller to make, modifications to the Goods, the Specification, or the production processes at any time. Seller will, within ten days of the date it is notified of a modification by Buyer, demonstrate the effects of the modification on the price and delivery date through a cost breakdown and other appropriate documentation. If the modification requires any deviation in price or delivery date, Buyer and Seller will agree on an appropriate adjustment in writing.

10.4. Seller must comply with the applicable regional Buyer's "Seller Development & Guidelines Manual" (the Quality Guidelines) located at <http://www.theplasmagroup.com/>, and any additional requirements that both parties agree upon in writing. If Seller sells Goods in regions where more than one Quality Guidelines is applicable, then Seller must comply with the terms of each Quality Guidelines in the region they serve. The Quality Guidelines may be periodically updated, revised, and amended, and it is Seller's obligation to comply with the current Quality Guidelines at all times. Seller's certification regarding the Quality Guidelines is incorporated into these Terms by reference.

10.5. Seller must observe the standards, statutes, and other rules and regulations relevant to the Goods of the countries in which the products containing the Goods are marketed and are manufactured, including VDE provisions for electrical parts, the End-of-Life Vehicles Directive, the Regulation on the Carriage of Dangerous Goods, and REACH. Seller will provide to Buyer all required inspection documents and certificates. Further, Seller will, at Seller's cost, input the required information into corresponding systems that serve to comply with the provisions listed in this section (such as the International Material Data System).

10.6. When Buyer's PPAP is completed, the Seller shall neither move the production of the Goods nor make changes to the production process, for example, in raw materials, manufacturing equipment, or process methods; nor make any major changes to the tooling, without submitting a new PPAP to Buyer for approval.

10.7. Seller shall control the quality of the Goods in regular intervals and shall present the agreed inspection documents to Buyer. Seller shall inform Buyer immediately and in writing of any quality problems with the Goods.

10.8. Buyer has the right upon advance notice to reasonably check compliance with the provisions of this section and to inspect the corresponding records at Seller's premises. Seller will support Buyer, make records available, and provide information as required.

- 10.9. To the extent that any public authority competent for motor vehicle safety, emissions rules, or the like requests access to the production process and the inspection documents of Buyer, Seller will, on Buyer's request, grant the authorities the same rights at Seller's premises and provide all reasonable support.
- 10.10. Seller shall promote continuous quality improvement in the manufacture, production, and distribution of the Goods. The Seller shall apply with the quality assurance processes, inspections and standards specified by the Buyer for suppliers providing goods or services similar in nature to the Goods.

11. Competitiveness

Maintaining the competitiveness of the Goods is of critical importance to the parties' commercial relationship. Competitiveness of the Goods is ensured if the Goods correspond to comparable goods of Seller's competitors in terms of prices and technology. If a comparable product is offered to Buyer at competitive conditions, Buyer will notify Seller in writing and will set a reasonable period of time, not less than 30 days, for Seller to restore full competitiveness of the Goods. Upon receiving that notice, Seller will promptly prepare a plan of actions that Seller will take in order to restore competitiveness of the Goods, and will furnish Buyer with that plan, together with a corrected offer. Through

the corrected offer, Seller will restore competitiveness of the Goods within the period of time set by Buyer. Seller's obligation to maintain competitiveness is a material contractual obligation.

12. Notice of Defects

- 12.1. Buyer is not required to perform incoming inspections of any Goods, and Seller waives any right to require Buyer to do so. Payment by Buyer is not acceptance of nonconforming Goods. Any inspection by Buyer or its customer is not acceptance of the Goods or a waiver of strict performance and does not relieve Seller of any liability or warranty for the Goods.
- 12.2. Neither any payment made before the detection of defects, nor the acceptance of Goods, nor Buyer's issuance of further Releases means that the Goods are free from defects or that Seller is released from the warranty.

13. Warranties and Warranty Claims

- 13.1. Seller warrants that:
 - (A) all Goods conform to all applicable Specifications and other requirements for the Goods;
 - (B) all Goods are free from any defect in design, workmanship, production, and material;

- (C) all Goods are of merchantable quality;
- (D) all Goods are free from any kind of non-conformance and will confirm with safety and reliability requirements of Buyer;
- (E) it is aware of the particular purpose for which the Goods will be used, and that all Goods are fit for that particular purpose; and
- (F) it conveys good title to Buyer to all Goods free and clear of all liens and encumbrances.

In addition, Seller acknowledges to be aware of Buyer's intended use of the Goods covered by the Purchase Order and warrants and guarantees that such Goods have been accordingly selected, designed, manufactured or assembled by Seller and will be fit and sufficient for the particular purposes intended by Buyer; Seller further warrants and guarantees that to the extent that Seller designs any Goods, or Buyer relies on Seller's expertise in any aspect of the design of the goods communicated by Seller to Buyer, those Goods will be fit and sufficient for the purposes intended. These warranties are in addition to all other warranties provided by law.

13.2. Defective Goods are Goods that fail to conform with any warranty in the

Purchase Order, including those in Section 13.1.

- 13.3. If Seller delivers Defective Goods, Buyer, in its sole discretion, may: (A) request that Seller, at Seller's own risk and expense, rework the Defective Goods or replace the Defective Goods with Goods that conform to the Purchase Order; or (B) if the Defective Goods are already in the production process of Buyer, its customer, or its ultimate OEM end customer, at Seller's cost and expense, have the Defective Goods replaced or reworked by Buyer, Buyer's customer, or a third party. If the Defective Goods have already been installed in a product and delivered to Buyer's customer and Buyer does not receive the Defective Goods from its customer for inspection, Seller will accept the determination of Buyer's customer, or Buyer's ultimate OEM end customer, or its agents or contractors (such as a dealer) as a reasonable determination that the Goods are Defective Goods.
- 13.4. Seller must reimburse Buyer for all direct and indirect costs incurred by Buyer or charged to Buyer by its customer in connection with the delivery of a Defective Good (including costs for transport, examination and inspection, handling, sorting, dismantling, material, and work) and delivery delays.
- 13.5. Seller's warranties and its responsibility for delivering non-defective Goods may not be waived, limited, or altered in any

way except through a written document signed by Buyer expressly referencing the Purchase Order and this Section 13.

13.6. The warranty period for delivered Goods begins upon delivery of the Goods and continues through the warranty period offered by Buyer's customer to end-users for the Goods installed on or as part of vehicles. If Buyer or any direct or indirect customer, voluntarily or pursuant to a government mandate, makes an offer to owners of vehicles (or other finished products) on which the Goods, or any parts, components, or systems incorporating the Goods, are installed to provide remedial action or to address a defect or condition that relates to motor-vehicle safety or the failure of a vehicle to comply with any applicable law, safety standard, or corrective service action, the warranty will continue for the period of time that may be dictated by the customer or the federal, state, local, or foreign government where the Goods are used or provided. If Seller discovers or becomes aware that Seller's Goods or its design or manufacturing processes do not comply or may potentially not comply with vehicle regulatory compliance requirements or Buyer's requirements, Seller shall notify Buyer within twenty-four (24) hours of such discovery or awareness in accordance with Buyer's procedures for reporting such matters to Buyer's vehicle safety and regulatory compliance authorities.

13.7. Nothing in this section waives or alters Buyer's rights with respect to any claims for damages or costs according to any applicable statutes or laws, including any claims under product-liability laws, or any indemnity claims by Buyer against Seller. These warranties are in addition to any warranties implied by Law, in equity, or otherwise made by Seller and will survive delivery by Seller and acceptance and payment by Buyer. Furthermore, warranties and covenants in the Purchase Order apply to Goods whether supplied by Seller or Seller's subcontractors or suppliers. Without prejudice to other rights and remedies available to Buyer by Law or Purchase Order, Seller shall indemnify Buyer for costs associated with quality-issue investigation and containment to the extent caused by Seller's acts or omissions as provided herein.

13.8. Should the Seller fail to undertake all reasonable efforts to remedy a Defect within a reasonable time after the Seller has received a second notification from the Buyer of the Defect or If Buyer determines in good faith, after consulting with the Seller, that the remedial work cannot be done within the limits of clause 11.2, Buyer is entitled to: (i) reject the nonconforming Goods, return them to the Seller and, at Buyer's option, request redelivery of conforming Goods; or (ii) retain them and either repair them itself or request the Seller do so, on or off-site. In any event, the Seller will bear the risk and expense of the remedial action

undertaken by Buyer or the Seller; or (iii) a reasonable reduction of the price.

14. Recall and Other Field Actions

If Buyer, its customer, or the manufacturer of the vehicles (or any other end products) into which the Goods, or products, components, or systems containing the Goods, have been assembled performs a recall, any other field- or garage-action, or a customer-service campaign, either on its own initiative or on the decision of any public authority (a Recall), Seller will be liable to Buyer for all damages in connection with the Recall to the extent that the Recall results from the delivery of Defective Goods or from any other breach of the Purchase Order by Seller.

15. Liability; Indemnity for Work Performed on Buyer's Premises

15.1. Seller is liable to Buyer for any breach of the Purchase Order or these Terms. Seller's liability includes Buyer's direct, indirect, incidental, and consequential damages, and any other damages or other remedies available under law or equity, including, for the avoidance of doubt, any damages and penalties assessed by Buyer's customer for such breaches. Seller will reimburse Buyer for any attorneys' fees, other professional fees, and court costs incurred by Buyer in connection with any breach of the Purchase Order by Seller or any action by

Buyer to enforce its rights under the Purchase Order.

15.2. Seller must pay Buyer for any loss that is caused by Seller's breach of the Purchase Order or these Terms, or that arises from or relates to warranty, product-recall, or product-liability claims asserted by any party against Buyer, or that arises from or relates to any injuries to persons, including death, or damage to property caused by Seller. But Seller need not pay for any loss that is caused solely by Buyer's negligence.

15.3. As used in this Section:

(A) A loss means any amount that Buyer is legally responsible for or pays in any form. Amounts include any judgment, settlement, fine, penalty, damages, cost, or expense, including attorneys' or other professional fees. A loss can be tangible or intangible; can arise from bodily injury, property damage, or other causes; can be based on tort, breach of contract, or any other theory of recovery; and includes Buyer's direct, indirect, incidental, and consequential damages and any other damages.

(B) A loss is caused by an event if the loss would not have occurred without the event, even if the event is not a proximate cause of the loss.

(C) Buyer includes its affiliated companies and Buyer's and its affiliated companies' directors, officers, employees, invitees, agents, and customers.

(D) Seller includes Seller's employees, subcontractors, and agents.

15.4. Seller waives the application of the doctrine of comparative negligence and other doctrines that may otherwise allocate the liability covered by Seller's obligations under this Section 15.1 Those obligations are in addition to Seller's warranty obligations.

15.5. Buyer will notify Seller within a reasonable time after Buyer knows of a claim for a loss that Seller might be obligated to pay. Buyer's failure to give notice within a reasonable time does not terminate Seller's obligation under this Section, except to the extent that the failure prejudices Seller's ability to defend the claim or mitigate losses.

15.6. Seller, at Buyer's option and at Seller's expense, will defend the claim through counsel approved by Buyer. Seller may not settle the claim without Buyer's written authorization unless the terms of settlement could not materially adversely affect Buyer. In the alternative, Buyer may elect to defend the claim itself, and if Buyer does so, Seller must reimburse Buyer on a monthly basis for all costs and expenses of defense, including attorneys' and other professional fees.

15.7. If any third party asserts any claim against Buyer under liability without fault that arises from the delivery or performance of Seller and that the third party could also assert against Seller, Seller will indemnify Buyer to the extent Seller would be directly liable to the third party.

15.8. **Limitations on Buyer's Liability to Seller:** Buyer is not liable to Seller for anticipated profits or for special, incidental, or consequential damages under any circumstances. Buyer's liability for a claim of any kind or for any loss arising out of or in connection with or resulting from each Purchase Order, the Goods, or any other agreement between Buyer and Seller is limited to any amounts due Seller through a termination claim under Section 31.

15.9. No action by Buyer, including the payment for Goods or acceptance of a later delivery, is a waiver of any of its rights under the Purchase Order, including its rights to pursue any claim against Seller.

15.10. If the Seller performs any work on Buyer's premises, the Seller shall indemnify and hold Buyer or its employees (as the case may be) harmless from and against any liability, claims, demands or expenses (including actual fees of attorneys and other professionals) for damages to the property of or injuries (including death) arising from or in connection with the Seller's performance of work or use of the relevant property.

16. Seller's Financial and Operational Condition

- 16.1. Seller warrants to Buyer as of the date of each Purchase Order, and repeats on the date of each Release or delivery, that: (A) it is not insolvent and is paying all debts as they become due; (B) it is in compliance with all loan covenants and other obligations, not to exceed quantities in firm production releases; and (C) all financial information provided by Seller to Buyer concerning Seller is true and accurate.
- 16.2. At Buyer's request, Seller shall promptly provide, upon request, to Buyer, in writing: (i) the approved balance sheets and, if available, the certified balance sheets of Seller, the business plan of Seller for the current year and the following years, as well as any information regarding Seller's financial condition that Buyer may reasonably request in order to assess and monitor the continuous capability of Seller to properly perform under the Purchase Order, and (ii) any financial and logistic data that enables Buyer to evaluate the financial health and capacity of Seller to timely supply the Goods, and any audit reports performed by Seller, in particular audits on smelters or refiners of its supply chain, and (iii) all other financial information and data requested by Buyer from time to time, including, without limitation, information and data related to Seller's cost structure. Seller will permit Buyer and its representatives to

review Seller's books and records concerning compliance with each Purchase Order and Seller's overall financial condition, and Seller will provide Buyer with full and complete access to all books and records for that purpose. Buyer and its advisers shall, subject to a notification of at least five business days in advance, have the right to enter the Seller's facility during normal business hours to inspect the facility, production process, Goods, performance of Services, materials, and Buyer Property. If Buyer, after an audit, requests that the Seller makes reasonable changes in its facility or production process to better comply with Buyer's requirements regarding quality and safety, the Seller shall comply with such request. If Seller experiences any delivery or operational problems, Buyer may designate a representative to be present in Seller's facility to observe Seller's operations. If Buyer provides to Seller any accommodations (including financial or providing designated representatives) that are necessary for Seller to fulfill its obligations under any Purchase Order, Seller will reimburse Buyer for all costs, including attorney's and other professional fees, incurred by Buyer in connection with the accommodation, and will grant a right of access to Buyer to use Seller's premises, machinery, equipment, and other property necessary for the production of Goods (and a lien to secure the access right) under an access-and-security agreement.

16.3. Seller shall immediately notify Buyer in writing of any of the following events or occurrences, or any facts or circumstances reasonably likely to give rise to any of the following events or occurrences:

- i. any failure by Seller to perform any of its obligations under the Purchase Order;
- ii. any delay in delivery of Goods under the Purchase Order;
- iii. any nonconforming Goods or quality problems relating to the Goods covered by the Purchase Order;
- iv. any changes in Seller's corporate structure or organization (including any direct or indirect change in control or ownership of Seller);
- v. any deficiency in Buyer's specifications, samples, prototypes, or test results relating to the Purchase Order;
- vi. any failure by Seller, its suppliers, subcontractors or common carriers, to comply with applicable Laws in force in each country where the Goods are, or are intended to be manufactured, used, sold or transferred and/or the services are performed, including, with respect to transportation of Goods under the Purchase Order; or
- vii. any material change in Seller's authorized representatives,

insurance coverage or professional certifications (e.g., ISO 9001).

16.4. If Seller is insolvent, or if a receiver or trustee or administrator is appointed with respect to the Seller, Seller will immediately inform Buyer. In addition, upon Buyer's request, Seller shall cause its suppliers and subcontractors to allow Buyer to perform the above-mentioned inspections and audits at their respective facilities and at the respective premises, books, and records.

16.5. Seller will preserve all records pertinent to the Purchase Order, and Seller's performance under the Purchase Order, for a period of not less than ten (10) years after Buyer's final payment to Seller under the Purchase Order. Any such audit or inspection conducted by Buyer or its representatives will not constitute acceptance of any Goods (whether in progress or finished), relieve Seller of any liability under the Purchase Order or prejudice any rights or remedies available to Buyer.

16.6. An audit does not in any way limit the rights of Buyer resulting from the purchasing between the Parties. Audits shall be conducted in such a way to reduce to a minimum the impediment to the Seller's undertakings under the Agreement or its business in general. Each Party shall bear its own costs in connection to an audit.

17. Insurance

17.1. Unless otherwise provided in the respective Purchase Order, Seller must purchase and maintain comprehensive general liability insurance with extended product liability with coverage for assembly and disassembly costs and recall insurance of motor vehicles with an appropriate limit of indemnity that complies with market practice, at least \$5,000,000 per occurrence. Seller must provide Buyer with evidence of this insurance, regarding both the objects of insurance coverage and the limits of indemnity, through an annual written confirmation of the insurer. The Seller's recall insurance must be maintained during the term of the contractual relationship with Buyer, and for a period of five years thereafter. The Seller shall, upon Buyer's request, provide Buyer with a copy of the insurance policies.

17.2. Seller will require any of its subcontractors to maintain appropriate insurance consistent with Section 17.1.

17.3. Seller's liability under the Purchase Order is not limited to its insurance coverage or that of any of its subcontractors.

17.4. Seller shall declare every claim within the deadline and in the manner stipulated by the related Laws and the insurance policies. Seller shall immediately notify Buyer of any change, suspension or cancellation for any reason relating to the coverage level or field of its insurance policies.

17.5. The fulfillment, or non-fulfillment, of the insurance obligations under the Purchase Order will not relieve Seller of any liability assumed by Seller or in any way modify Seller's obligations under the Purchase Order, including, without limitation, its obligations to indemnify Buyer. The required types and amounts of insurance will not necessarily be adequate to respond to all exposures to loss. The required limits of insurance will not be deemed as a limitation or maximum liability of Seller under the Purchase Order, including, without limitation, its obligations to indemnify Buyer. Seller will be financially responsible for any deductibles, retentions, self-insurance, co-insurance, premiums, and claims or losses in excess of required insurance limits. Seller will cause and confirm that all third parties, including, without limitation, Seller's affiliates, subcontractors and suppliers, providing Goods maintain the same, or greater, insurance requirements as set forth in this Section, name Buyer as an additional insured on all required insurance policies, and otherwise comply with this Section.

18. Proprietary Rights and Rights of Use

18.1. Seller warrants that the manufacture, possession, sale, or use of the Goods as intended by Buyer do not infringe any domestic or foreign patents, utility

models, copyrights, or other intellectual-property rights (Proprietary Rights) of any third party.

18.2. Seller will investigate, defend, hold harmless and indemnify Buyer, the companies within the Halfmoon Buyer, Inc. group, their successors (collectively “Buyer Group”) and their dealers and customers against any actual or alleged claims of infringement, misappropriation, violation or other assertions of proprietary rights violations (including patent, trademark, copyright, industrial design right, or other proprietary right, misuse, or misappropriation of trade secret) and resulting damages and expenses (including attorney’s and other professional fees) arising in any way in relation to the Goods, including such claims where Seller has provided only part of the Goods (collectively “IP Claims”). Seller expressly waives any claim against Buyer Group that any such IP Claims arose out of compliance with Buyer Group’s or its dealers’ or customers’ design, specification, or direction. In the event a third party makes an IP Claim, Seller shall promptly, at Buyer’s option, without suspension in the supply of the Goods to Buyer,: (i) procure for or on behalf of Buyer, at no expense to Buyer, the right to continue using the Goods; (ii) replace the Goods subject to such claim, at no expense to Buyer, with a non-infringing equivalent component, of equal performance and quality that is acceptable to Buyer in its

sole discretion; or (iii) modify the Goods subject to such claim, at no expense to Buyer and without impacting their performance and quality, so that they no longer infringe the alleged third party’s rights in a manner this is acceptable to Buyer in its sole discretion.. Section 15.2 applies to this duty to indemnify.

18.3. Where the use of the Goods by Buyer requires Proprietary Rights of Seller, Seller grants Buyer free of charge the world-wide, irrevocable right to use, sell, repair, or copy the Goods, either directly or through third parties.

18.4. If standard user software is the subject of a Purchase Order, the right of use under Section 18.3 applies and is freely transferable. Seller must provide Buyer with the required software. Further payment for multiple use is explicitly excluded. Seller warrants that the software is free from any virus or similar defect.

18.5. If a Purchase Order contains development work paid for by Buyer, either by means of a unique payment or through the price of the parts, any and all results of that development work, including any Proprietary Rights, are the exclusive property of Buyer.

19. Product Labeling

19.1. Seller will label the Goods as specified by Buyer.

19.2. Any Goods bearing a trademark proprietary to Buyer or provided with corresponding equipment or packed in Buyer original packaging (a "Buyer Trademark") must be delivered by Seller only to Buyer or to a third party designated by Buyer. Seller has no additional right to use the Buyer Trademark. If trademarked Goods are rejected as defective, Seller will disable them at Seller's cost.

19.3. In addition to any other rights under the Purchase Order, if Seller violates this Section 19, Buyer may terminate the Purchase Order without notice, and Seller will surrender that which Seller gained from the violation as compensation of the damage incurred to Buyer.

19.4. Seller is prohibited from using its own trademarks, or those from any third party, on Goods bearing any Buyer Trademark or an identifying mark specified by Buyer, or if the Goods use Buyer's design (a "Marked Part"). Seller will not sell any Marked Part to any third parties without Buyer's prior written consent. Seller agrees to immediately discontinue any use of Buyer Trademarks on the Goods or any other items upon Buyer's request or at the termination of the Purchase Order and Seller agrees to do one or more of the following at Buyer's option: (i) destroy any such Goods or items and present to Buyer an affidavit of destruction; (ii) return or sell to Buyer at cost any such Goods or items; or (iii)

remove and destroy any Buyer Trademarks from any such Goods or items and present to Buyer an affidavit of removal and destruction.

20. Tooling and Other Provided Property

20.1. All tools, parts, patterns, templates, matrices, measures, devices, jigs, gauges, fixtures, other appurtenances, and related drawings and forms (collectively, "Tooling"), equipment or material, if it:

- (A) is provided to Seller by Buyer, Buyer's customer, or Buyer's ultimate OEM end customer;
- (B) has been paid for or is to be paid for directly or through amortization by Buyer; or
- (C) is Tooling identified on the face of any Purchase Order issued by Buyer,

as well as any and all replacements, additions, attachments, accessories, and maintenance (collectively "Provided Property"), are the property of Buyer, its customer, or its ultimate OEM end customer, unless agreed otherwise, and are held by Seller on a bailment basis only.

20.2. Seller may use the Provided Property solely for the production of Goods under a Purchase Order issued by Buyer. Seller may not use the Provided Property for any other purpose or permit others to use

it without the Buyer's prior written consent.

20.3. Seller must clearly mark all Provided Property as property of Buyer, Buyer's customer, or Buyer's ultimate OEM end customer. Seller must store all Provided Property safely and separately from Seller's property. Seller must maintain all Provided Property in good condition and replace it, if necessary, all at Seller's cost. Seller bears the risk of loss of and damage to the Provided Property while the Provided Property is in its possession or control. Seller must insure the Provided Property in the event of loss to an amount equal to the replacement cost that would have to be paid to Buyer, its customer, or Buyer's ultimate OEM end customer, all at Seller's cost. Seller assigns all claims for payment against the insurer to Buyer, and Buyer accepts this assignment. Seller must treat the Provided Property carefully and safely and must hold Buyer harmless for any claim, liability, costs, or damages arising from or related to the assembly, use, safekeeping, or repair of the Provided Property. Buyer, Buyer's customer, or Buyer's ultimate OEM end customer is entitled to enter Seller's premises during regular business hours and to inspect the Provided Property and any records relating to it.

20.4. Seller will bear all risk of loss of and damage to Provided Property, regardless of whether Provided Property is located on Seller's premises or Seller's supplier's or subcontractor's premises. Provided Property will at all times be properly housed by Seller or its suppliers or subcontractors (as approved in writing in advance by Buyer), insured and maintained by Seller in good condition all at Seller's expense. Seller will replace or repair any such Buyer Property when lost, stolen, damaged, worn, deteriorated, or destroyed. Seller will ensure that neither Seller, its suppliers or subcontractors will use Provided Property for any purpose other than the performance of the Purchase Order. Provided Property will: (i) be deemed to be personality; (ii) be conspicuously marked by Seller as the property of Buyer; (iii) not be commingled with the property of Seller or with that of a third person; and (iv) not be moved from Seller's premises without Buyer's prior written approval.

20.5. Buyer will, at any time, have the right to immediate possession of Provided Property, on Buyer's demand. If title in any Provided Property has not otherwise passed to Buyer, title will pass as specified in the Purchase Order. Upon the request of Buyer, Provided Property will be immediately released to Buyer or delivered to Buyer by Seller, either: (i) via Buyer's selected carrier, at Seller's plant (as per the Incoterms 2020 stipulated in the Purchase Order or as otherwise agreed between Seller and Buyer), properly packed and marked in accordance with the requirements of the carrier; or (ii) to any location designated

by Buyer, in which event Buyer will pay to Seller the reasonable costs of delivering such property to such location. If any Provided Property is deemed not owned by Buyer, Seller hereby assigns such Provided Property to Buyer and grants Buyer a purchase-money security interest in and to all Provided Property. Seller, upon request from Buyer, will reasonably cooperate in any act necessary to achieve such assignment or perfect or otherwise establish the priority of such interest, including identifying the date on which Seller takes possession of Provided Property and the filing of applicable financing statements.

- 20.6. To the fullest extent permitted by Law, Seller waives any liens, claims, encumbrances, interests, or other rights that Seller might have or assert on or with respect to any Provided Property for work performed on such property or otherwise. To the extent any Intellectual Property Rights owned by or licensed to Seller is embodied in, or is otherwise necessary for the intended use of, any Provided Property, Seller hereby grants to Buyer a fully paid, irrevocable, non-exclusive, worldwide, perpetual to the maximum extent permitted by Law, royalty-free license, with the right to grant sublicenses as necessary for any use of Provided Property, to use such Intellectual Property Rights.
- 20.7. Buyer may remove the Provided Property or demand its surrender at any time and without any reason and without

any payment, regardless of whether Buyer has terminated any Purchase Order with Seller. Upon a demand by Buyer that Seller surrender any Provided Property, Seller must immediately surrender the Provided Property and prepare it for shipping (in accordance with the requirements of the carrier and Buyer) or deliver it to Buyer or elsewhere, as directed by Buyer. If Buyer chooses to remove the Provided Property from Seller's premises itself, Seller will fully cooperate with that removal. If Buyer directs that Seller deliver the Provided Property to Buyer or elsewhere, Buyer will reimburse Seller for reasonable delivery costs. Seller may not retain the Provided Property, either from outstanding payment demands or for any other reason, and its cooperation with delivery and removal of Buyer's property is not contingent on final payment.

- 20.8. Seller affirmatively waives any lien, whether based in statute or common law, that it might otherwise have on any Goods or Provided Property for any work done on the Goods or Provided Property or for any other reason. Seller assigns to Buyer any claims Seller has against any third party relating to any Provided Property.
- 20.9. If the Provided Property is in the possession of any third party, including any subsupplier or service provider such as a repair shop, Seller's obligation to cooperate with Buyer's removal of the Provided Property or to surrender the

Provided Property under this Section 20 includes an obligation to secure the Provided Property's release by the third party. Seller's obligation to secure the Provided Property's release includes the immediate payment of any claims made by the third party and the immediate payment of any amounts necessary to remove, at its own cost, any lien asserted by the third party for any reason. In other words, Seller will immediately take all steps necessary to place the Provided Property in Buyer's possession, including the payment of any amount.

20.10. If the Seller, during the manufacturing of the Goods, discovers defects in the Goods as a result of defects in the patterns, tools, machinery, or equipment provided or owned by Buyer, or errors or omissions in the Specification, technical documents and information provided by Buyer, the Seller shall immediately inform Buyer. Buyer shall correct such defects, errors, and omissions.

21. Tools of Seller

21.1. Seller grants Buyer the irrevocable option to acquire possession of and title to any tools that are necessary for, and specific to, the production of the Goods (Necessary Tools). To exercise this option, Buyer must pay to Seller the Necessary Tools' net book value, less any amounts already paid to Seller by Buyer or amortized via the purchase price of the Goods. Seller warrants to Buyer that it is not using the Necessary

Tools for production of goods to any customer other than Buyer.

21.2. Seller will provide Buyer with any technical information required by Buyer in order to install, assemble, or use the Necessary Tools. Technical information includes: design, component, and installation drawings; technical documentation, test logs and results, data; and any other information relating to Goods and Necessary Tools, including the composition, substances, and materials used in or in connection with their production. Subject to Seller's patent rights, technical information may be used and published by Buyer without any limitation. Design or production information that is subject to any intellectual property right of Seller may be used by only Buyer for its own purposes.

22. Delivery of Service and Spare Parts

For Goods that will be incorporated into products for vehicles, Seller will supply Buyer with 100% of its requirements for service and spare parts at commercially reasonable prices for (i) fifteen years after Buyer's purchases of the Goods under serial production from the Seller have ceased, or (ii) such longer period that is required by law in a country where Buyer's end products are sold. During this period, the price will be the price on the most recent production Purchase Order, plus any additional costs for packaging and processing to which

Buyer agrees. If requested by Buyer, Seller must provide servicing literature and other materials at no extra cost in order to support Buyer's spare-parts-sales activities.

23. Confidentiality

- 23.1. The parties will treat as trade secrets any and all nonobvious commercial and technical details they learn of through the business relationship created by the Purchase Order. Drawings, models, templates, samples, or similar items may not be made available to unauthorized third parties. The parties may not reproduce any of these items unless permitted within the scope of operational requirements and within the scope of copyright, patent, trademark, or trade-secret law.
- 23.2. Seller may not share any information regarding the Goods, Tooling, or Provided Property with any third party, including subsuppliers, without Buyer's prior written consent.
- 23.3. Seller may not use its business relationship with Buyer for advertising purposes without Buyer's prior written consent.

24. Risk of Loss; Reservation of Title

Risk of loss and full title to goods will pass to Buyer, free and clear of any liens, claims, encumbrances, interests, or other rights, upon proper delivery of the

Goods; provided, however, if Buyer rejects acceptance of delivery or otherwise rejects Goods, even after delivery, risk of loss and title to such Goods automatically reverts back to Seller at the moment the Seller receives notice of Buyer's rejection. Seller shall be fully responsible for and adequately insure all Goods until proper delivery to Buyer.

25. Buyer's Right of Setoff

Buyer or its affiliates may set off any claim, whether due or not due, present or future, that it has or may have against Seller or its affiliates or to offset against any such claim that Seller or its affiliates may have against Buyer or its affiliates.

26. Change in Control of Seller

- 26.1. A change of control of Seller includes:
 - (A) the sale, lease, or exchange of a substantial portion of Seller's assets used for the production of Goods, or Seller's entrance into an agreement for the same;
 - (B) the sale or exchange of more than 20% of Seller's stock or other ownership interest (or of such other amount as would result in a change of control of Seller), or Seller's entrance into an agreement for the same; or
 - (C) the execution of a voting or other agreement providing a person or

entity with control of Seller or control of more than 20% of Seller's stock or other ownership interest (or of such other amount as would result in a change of control of Seller).

26.2. If Seller enters into an agreement for change of control, or an event described in this section occurs, Seller must notify Buyer promptly in writing.

27. Default and Remedies for Default

27.1. Default means:

- (A) Seller's repudiation, breach, or threatened breach of any of the terms of any Purchase Order, including any of Seller's warranties or delivery obligations (e.g., Buyer may terminate any or all of its Purchase Orders with Seller if Seller breaches any one of its Purchase Orders with Buyer);
- (B) Seller's failure to provide Buyer with adequate assurance of Seller's ability to perform timely any of Seller's obligations under a Purchase Order or Release; or
- (C) Seller's failure, after being provided with the notice described in Section 11, to remain competitive with respect to price, quality, delivery, technology, payment terms, or customer support.

27.2. In the event of a Default, Buyer may, in its sole discretion:

- (A) waive all or any part of the Default;
- (B) agree in writing to any modification of the Purchase Order;
- (C) terminate the Purchase Order for cause in whole or in part;
- (D) purchase goods in substitution for those to be supplied by Seller under the Purchase Order and charge Seller for any excess costs resulting from that purchase; and
- (E) exercise any other legal or equitable rights or remedies that it has.

27.3. The rights and remedies of Buyer in the Purchase Order are cumulative with, and additional to, all other rights and remedies of Buyer under applicable Law or in equity. Without limiting the foregoing, in the event that any Goods fail to conform to the warranties or other requirements set forth in the Purchase Order or the product specifications incorporated by reference in the Purchase Order, or if otherwise breaches or fails to fully and timely perform any of its obligations under the Purchase Order, Buyer will be entitled to recover from Seller any and all damages, including, without limitation, all direct, indirect,

incidental, special and consequential damages, lost profits and revenues, and all legal and other professional fees and costs incurred by Buyer as a result of or in connection with such breach or failure, including, without limitation, direct and indirect costs, expenses and losses incurred by Buyer: (i) in inspecting, sorting, testing, repairing or replacing nonconforming Goods or nonconforming deliveries; (ii) resulting from production interruptions or stoppages; (iii) in conducting recall campaigns or other corrective service actions; (iv) resulting from personal injury, including death, or property damage; or (v) in complying with applicable Laws. If requested by Buyer, Seller will enter into a settlement agreement for the administration and processing of warranty chargebacks for nonconforming Goods.

27.4. Seller will indemnify, defend, and hold harmless Buyer Group against any liability, claim, demand, and expense (including, without limitation, legal and other professional fees) arising from or relating to any failure of Seller to fully perform any of its obligations under the Purchase Order.

27.5. Any Seller representation, warranty, and indemnification obligations hereunder, including without limitation, reimbursement of damages for business interruption set forth under the Purchase Order, shall extend to Buyer's OEM.

28. Seller May Not Stop Deliveries

Under no circumstances may Seller cease deliveries to Buyer that are required by the Purchase Order. Seller acknowledges that its failure to deliver as required by the Purchase Order will cause irreparable harm to Buyer, and that if it does stop deliveries, preliminary and permanent injunctive relief should be granted in Buyer's favor, compelling Seller to resume and continue deliveries as required by the Purchase Order.

29. INTELLECTUAL PROPERTY RIGHTS AND INFRINGEMENT

29.1. Nothing in the Agreement shall operate to deprive either of the Parties their respective Intellectual Property Rights.

29.2. The Seller agrees that any Intellectual Property Rights developed specifically for and/or on behalf of Buyer or to facilitate the production and operation of the Goods shall belong to Buyer.

29.3. Buyer shall provide the Seller with technical documents and information necessary for the manufacture and delivery of the Goods or the performance of Services to the extent stated in the Agreement and/or the Specification.

29.4. All technical documents and information provided by Buyer shall remain the property of Buyer and shall not be used for any other purpose than the manufacturing of the Goods or the performance of the Services. The

technical documents and information provided by the Buyer may not, without Buyer's prior written consent, be copied, reproduced, provided to, or otherwise made available to any third party.

29.5. The Seller shall be responsible for ensuring that the Goods or the result of the Services or their use does not infringe any intellectual property rights of a third party. The Seller undertakes to indemnify Buyer for any direct or indirect expense or liability, including costs, fees, damages and losses arising out of or relating to the Goods or the result of the Services or their use and to either replace the Goods or the result of Services with non-infringing, equivalent Goods or results or to obtain necessary consent from the third party. The Seller shall investigate, defend, and otherwise handle any such claim. The Seller shall at Buyer's request, assist Buyer in disputes in which Buyer could become involved due to such infringement and also replace Buyer in such dispute.

30. Termination

30.1. Termination for convenience: Buyer may terminate all or any part of a Purchase Order at any time and for any business reason by giving 30 days' written notice to Seller.

30.2. Termination due to customer termination: In general Buyer uses the Goods to manufacture end products for its customers mainly within the

automotive industry. The Buyer's requirements of the Goods are dependent of the end customers' demands at any given time. The Seller agrees to and acknowledges that Buyer shall have the right to terminate or withdraw from the Agreement in whole or partly in the event its end customers' requirements of the end products is reduced or ceases due to e.g. changes in the vehicle models concerned, or other design or technical modifications arise, or for other reasons outside Buyer's control. In the case of such a withdrawal, Buyer shall not be liable to compensate the Seller for any damages caused. If Buyer's customer terminates all or any part of its order with Buyer for any reason, Buyer may terminate all or any part of a Purchase Order by giving written notice to Seller. A notice period of 30 days or of any other length is not required; the termination may be immediate.

30.3. Termination for cause: Buyer may immediately terminate all or any part of a Purchase Order without any liability to Seller in the event of any Default by Seller. If, after termination for cause, it is determined that Seller was not in Default, the rights and obligations of the parties will be the same as if the termination were for convenience under Section 30.1.

30.4. Termination for change in control: In addition to its other remedies, Buyer may, at its option, terminate the Purchase Order without any liability to Seller if there is a change of control of Seller.

Buyer must give Seller 30 days' notice of a termination for change in control.

- 30.5. Termination in the event of a Seller Insolvency: Buyer may immediately terminate each Purchase Order without any liability to Seller in the event of a Seller Insolvency. A Seller Insolvency includes: Seller's insolvency; Seller's inability to promptly provide Buyer with adequate assurance of Seller's financial capability to timely perform any of Seller's obligations under any Purchase Order; the filing of a voluntary petition in bankruptcy by Seller; the filing of an involuntary petition in bankruptcy against Seller; the appointment of a receiver or trustee for Seller; or the execution of an assignment for the benefit of creditors of Seller.
- 30.6. Seller may not terminate the Purchase Order. If: A) Buyer materially breaches; B) Seller provides written notice of the material breach; and C) Buyer fails to cure the breach, then Seller may cancel the Purchase Order only after providing Buyer with required transition support per Section 6.3.

31. Termination Claims and Obligations

- 31.1. Once it receives notice of termination, Seller, unless otherwise directed in writing by Buyer, must (A) immediately terminate all work under the Purchase Order or Release; (B) transfer title and deliver to Buyer the usable and merchantable finished Goods, work in

process, and raw materials and components that Seller produced or acquired in accordance with firm Release amounts under the Purchase Order and that Seller cannot use in producing Goods for itself or for others; (C) settle all claims by subcontractors approved by Buyer on the face of a Purchase Order or in a signed writing, if any, for reasonable actual costs that are rendered unrecoverable by such termination; (D) take actions reasonably necessary to protect all property in Seller's possession in which Buyer has an interest; and (E) at Buyer's request, cooperate with Buyer in resourcing the Goods covered by the Purchase Order to an alternative Seller designated by Buyer.

- 31.2. If the termination is for convenience or for change in control as defined in Section 26, Buyer will pay to Seller the following amounts without duplication: (A) the Purchase Order price for all finished and completed Goods that conform to the requirements of the Purchase Order and were not previously paid for; (B) Seller's reasonable actual cost of the usable and merchantable work in process and raw materials and components transferred to Buyer in accordance with Section 31.1 and within firm Release amounts; (C) Seller's reasonable actual cost of settling claims for Seller's obligations (in the absence of termination) to the subcontractors so long as those costs were approved by Buyer on the face of a Purchase Order or in a signed writing; and (D) Seller's

reasonable actual costs of carrying out its obligations to Buyer under this section.

31.3. If the termination is for cause or Seller Insolvency, Seller is not entitled to any further payments by Buyer.

31.4. Except as stated in this Section 1, Buyer is not be liable for and is not required to make payments to Seller, directly or on account of claims by Seller's subcontractors, for any alleged losses or costs, including loss of anticipated profit, unabsorbed overhead, interest on claims, product-development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, ancillary exit charges (including costs of riggers, warehousing, premium manufacturing costs, loading of trucks, or other standard business procedures related to transitioning production to an alternative Seller), obsolescence costs, or general and administrative burden charges resulting from termination of the Purchase Order or otherwise. Notwithstanding anything to the contrary, Buyer's obligation to Seller upon termination will not exceed the obligation Buyer would have had to Seller in the absence of termination.

31.5. Within 30 days after the effective date of termination for convenience or for change in control, Seller must furnish to Buyer its termination claim, together with all supporting data (which will consist exclusively of the items of Buyer's obligation to Seller that are listed in Section 31.2). Buyer may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim.

31.6. The termination of the Agreement by the Seller shall have no effect on call-offs or Purchase Orders already placed by Buyer.

31.7. Upon the expiration or termination of the Agreement, the Seller shall:

- (A) take all actions necessary to protect any Buyer Property in the possession of the Seller or its suppliers and subcontractors;
- (B) cooperate with Buyer to help avoid production disruptions while the production of the Goods and/or performance of Services are being resourced to another supplier;
- (C) transfer title and possession of the Goods, work-in-process, and raw materials that Buyer has agreed to acquire from the Seller to Buyer and return Buyer Property and other property of Buyer to Buyer;
- (D) cease all work under the Agreement unless requested otherwise by Buyer according to sub-clause (E) below, and
- (E) if requested by Buyer in writing, continue to manufacture and supply Goods or perform

Services to Buyer according to the terms in force as per the date the Agreement was terminated, to the extent required to satisfy Buyer's demand for at least twelve (12) months from the date the Agreement expired, or such longer period as may be necessary for Buyer to fulfil its contractual obligations vis-à-vis its customers entered into before notice of termination of the Agreement was received, provided, however, that Buyer cannot purchase sufficient amounts of equivalent products or services from another suppliers without increased costs, with equivalent delivery terms and at the same price.

31.8. Nothing contained in this Section 31 shall prejudice the right of Buyer to exercise either in lieu of or in addition to the rights or remedies conferred by this Section 31 any other rights or remedies to which Buyer may be entitled by law or otherwise.

32. US C-TPAT (U.S. Customs Service's Customs Trade Partnership Against Terrorism)

For Goods to be imported into the United States, Seller will either: (A) be certified for deliveries to be made into the United States by the U.S. Customs & Border Protection in compliance with the Customs-Trade Partnership Against

Terrorism (C-TPAT), and maintain that certification for the Term; or (B) accept, implement and comply with all applicable Trade Security Programs, including recommendations or requirements of the C-TPAT initiative (<http://www.cbp.gov>). At Buyer's or the Customs Service's request, Seller will certify in writing its acceptance, implementation, and compliance with the C-TPAT and any accompanying recommendation and guidelines. Seller will indemnify and hold Buyer harmless from and against any liability, claims, fines, demands, or expenses (including attorney's or other professional fees) arising from or relating to Seller's failure to accept, implement, or comply with C-TPAT.

33. Federal Contracts / Fair Labor Standards

To the extent required by law, the following clauses relating to contracts with the U.S. Government are incorporated into and made applicable to all purchase orders: (i) the Equal Opportunity clause, 41 C.F.R. 60-1.4; (ii) the Affirmative Action for Disabled Veterans & Veterans of the Vietnam Era clause, 41 C.F.R. 60-250; (iii) the Affirmative Action for Handicapped Workers clause, 41 C.F.R. 60-741; (iv) the posting requirements of Executive Order 13201; and (v) the Federal Acquisition Regulations. Seller will comply with all applicable requirements of Sections 6.7 and 12 of the Fair Labor

Standards Act, 29 U.S.C. §§ 201 et seq. (“FLSA”) in the performance of work under any Purchase Order, and with all applicable regulations and orders issued under Section 14 of FLSA. Seller will indemnify and hold Buyer harmless from and against any liability, claims, fines, demands, or expenses (including attorney’s or other professional fees) arising from or relating to any claim that Seller violated these federal contract requirements or the FLSA.

34. Compliance with Laws and Certifications / Toxic Substances / OSHA

34.1. Seller will comply with all applicable laws, rules, regulations, orders, conventions, or standards enacted by each country (including, without limitation, under EU, UK and U.S. Law), that regulate the manufacture, labeling, transportation, licensing, approval, or certification of products or services, including those relating to environmental matters, data protection and privacy, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health and safety, and motor vehicle safety, and each Purchase Order incorporates by reference all the clauses required by the provisions of those laws, orders, rules, regulations, and ordinances. Among other things, Seller will comply with the Occupational Safety & Health Act, 29 U.S.C. §§ 651 et seq., the Toxic Substance Control Act, 15 U.S.C. §§

2601 et seq., and any state statutes implementing these or similar federal laws that apply to any place of Seller’s performance.

34.2. All purchased materials used to manufacture the Goods must satisfy current governmental and safety constraints on restricted, toxic, and hazardous materials, as well as environmental, electrical, and electromagnetic considerations applicable to the country of manufacture and sale. Prior to shipment, Seller will furnish applicable Material Safety Data Sheets as well as information on the safe use and hazards associated with use of the Goods. Seller must be in compliance with ISO14001, TS16949 and ELV or their successors, as amended from time to time. Seller warrants that neither it nor any of its subcontractors use or will use child, slave, prisoner, or any other form of forced or involuntary labor, or engage in abusive employment or corrupt business practices, in the supply of the Goods under this Purchase Order. At Buyer’s request, Seller will certify in writing its compliance with this section. Seller agrees to comply with all applicable anti-corruption laws in force in each country where the Goods are manufactured, used, sold, or transferred and/or the services are performed, including, without limitation, under EU, UK and U.S. Law, and that neither it nor any of its subcontractors, vendors, agents or other associated third parties will engage in any form of commercial

bribery, nor directly or indirectly provide or offer to provide, anything of value to or for the benefit of, any official or employee of a governmental authority or of any government-owned, government-controlled or government-affiliated entity to obtain or retain any contract, business opportunity or other business benefit, or to influence any act or decision of that person in his/her official capacity. At Buyer's request, Seller will certify in writing its compliance with the foregoing.

Seller will indemnify and hold Buyer harmless from and against any liability claims, demands, fines, or expenses (including, without limitation, attorney's or other professional fees) arising out of or in connection with Seller's failure to comply with the provisions of this section. Seller will sustain all costs and expenses needed to achieve compliance with existing or new Laws.

34.3. Export Control; Sanctions Compliance

(A) Seller agrees to become knowledgeable of and comply with all applicable export control and sanctions Laws, including those of the EU, the United States, and any other applicable jurisdiction (the "Export Control Laws"). Seller will not violate, and will not cause Buyer to violate, any Export Control Laws (e.g., by transshipping goods through, or supplying Goods or services from, sanctioned countries, or with the assistance of any individuals

appearing in sanctioned lists). Seller is aware of the constant change of countries, entities and persons mentioned in sanctioned lists and has taken steps to keep up to date with such changes.

(B) With respect to the Goods or technology that Seller sells to Buyer, Seller will provide to Buyer the information necessary to ensure compliance with Export Control Laws, including any potential military use of such Goods, Export Control Classification Number (ECCN), percent (%) of U.S. content, or if requested, of other country or regional content prior to the sale or Seller's start of real production ("SORP"), whichever is earlier. Licenses or other authorizations required for the export of Goods will be the responsibility of Seller unless otherwise agreed in the Purchase Order, in which event Seller shall provide all necessary information as may be requested by Buyer to request or obtain such licenses or authorizations.

34.4. The Seller shall ensure that it, its affiliates, subcontractors, and vendors comply with the UN Convention on the Rights of the Child – UNGA Doc A/RES/44/25 (12 December 1989) with Annex, including Article 32 thereof; and that it, its affiliates, and its

subcontractors, have not made or will not make use of forced or compulsory labour as described in the Forced Labour Convention and in the Abolition of Forced Labour Convention 105 of the International Labour Organization. Further, Seller shall ensure it, its affiliates, its subcontractors, and its vendors respect and uphold basic social rights and working conditions for its employees. Any breach of this Section 34.4 shall entitle Buyer to terminate this contract immediately upon notice to Seller, at no cost or liability for Buyer. For the avoidance of doubt, forced labour includes any form of child, prison, indentured, or debt labour, or the use of corporal or other forms of mental and physical coercion as a form of discipline. In the absence of any national or local law, Buyer and Seller agree to define "child" as a person less than 16 years of age. If local minimum age law is set below 16 years of age but is in accordance with exceptions under International Labour Organization Convention 138, then the lower age will apply.

35. General Provisions

- 35.1. In these Terms, *including* and its variants means *including without limitation*.
- 35.2. If any provision of the Purchase Order, any Release, these Terms, or any other related or incorporated documents is found invalid, the validity of the remaining documents and Terms will be

unaffected. The parties will replace the invalid provision with a provision that comes as closely as possible in terms of economic results to the invalid provision.

- 35.3. **No Waiver**
- 35.4. The failure of either Party at any time to require performance by the other Party of any provision of the Purchase Order will in no way affect the right to require such performance at any time thereafter, nor will the waiver of either Party of a breach of any provision of the Purchase Order constitute a waiver of any succeeding breach of the same or any other provision.

35.5. Non-Assignment

Under no circumstances may Seller transfer, assign or delegate, in whole or in part, any of its rights or obligations under the Purchase Order (including, without limitation, any right of payment and credit arising from such Purchase Order), whether directly or indirectly by merger, acquisition or contribution to a joint venture, without Buyer's prior written consent, including but not limited to transfers resulting from mergers or acquisitions not accepted by Buyer. Any assignment or delegation by Seller in violation of this Section will be void and of no legal effect. Buyer shall have the right to assign any and all claims against Seller to any third party and the law and venue chosen by such third party shall control with respect to such assigned claim. Buyer shall have the right, after

notification to Seller, to assign the Purchase Orders to any company under the Control of the Buyer Group

35.6. Nature of the Relationship of Parties

Seller and Buyer are independent contracting parties and nothing in the Purchase Order will make either Party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either Party any authority to assume or to create any obligation on behalf of or in the name of the other.

35.7. Severability

If any term of the Purchase Order is invalid or unenforceable under applicable Law, such term will be deemed reformed or deleted, as the case may be, but only to the extent necessary to comply with such applicable Law, and the remaining provisions of the Purchase Order will remain in full force and effect.

35.8. No Exclusivity

No exclusivity is granted to Seller in relation to the supply of the Goods. Therefore, Buyer is allowed to purchase Goods from any other supplier without obtaining prior agreement of Seller and/or giving notice to Seller. Buyer may provide Seller with estimates, forecasts, or projections of its anticipated future quantity requirements for Goods. Each of

these expressions of anticipated future requirements for Goods is provided for informational purposes only, and is not intended to be, and is not, a commitment by Buyer to buy those future requirements. If not objected to in writing by the Seller within five (5) days from its receipt of the forecast, the forecast shall be considered approved by the Seller. If not specifically agreed in the Agreement, Buyer makes no representation, guarantee, guaranty or commitment of any kind or nature, express or implied, regarding the purchasing of any volumes of Goods. Further, the Seller are granted no exclusive rights whatsoever and Buyer is free to purchase from third parties Goods or Services that are similar to those offered by Seller.

35.9. Governing Law, Jurisdiction, and Venue:

The Purchase Order will be governed by the laws of the state or country shown in Buyer's address on the Purchase Order, and the Convention on Contracts for the International Sale of Goods does not apply. Buyer and Seller agree irrevocably to submit to the personal jurisdiction of the courts of the above-referenced location and waive all challenges to the personal jurisdiction of such courts for any and all claims arising out of or relating to the subject matter of the Purchase Order.