

# General Terms and Conditions of Purchase

**December 2023** 

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# 1. The Contract

# 1.1 Offer and Acceptance

Each purchase order or revision thereof ("Purchase Order") Exo-s Inc. or one of its affiliates or subsidiaries ("Buyer") issues to the seller identified in the Purchase Order ("Seller") is Buyer's offer to purchase the goods ("Goods") and/or the services ("Services") described in the Purchase Order. Seller will be deemed to have accepted a Purchase Order as issued upon the first to occur of the following: (a) Seller commencing performance under the Purchase Order; (b) Seller notifying Buyer of its acceptance of the Purchase Order; (c) other conduct which fairly recognizes the existence of a contract for the purchase and sale of the Goods and/or Services; or (d) Seller's failure to object in writing to the Purchase Order within five (5) days of receipt. For avoidance of doubt, a signed acceptance of the Purchase Order is not required. acceptance, the Purchase Order together with these General Terms and Conditions of Purchase (these "Terms"), any supply agreements between the parties signed by Seller and Buyer relating to the Goods and/or Services ("Supply Agreement") and any other documents issued or made available by Buyer including individual releases issued by Buyer, specifications, drawings, or requirements of Buyer's direct or indirect customer ("Customer"), supplier manuals or other policies of Buyer, or any quality requirements, will become a binding contract between Buyer and Seller (collectively, the "Contract"). Any terms or conditions that are different or in addition to the terms and conditions of the Contract, including any terms and conditions proposed by Seller (whether in proposal, quotation, Purchase Order Seller's acknowledgment, invoices, or otherwise) are expressly rejected by Buyer, are not part of the Contract, do not apply to the sale of the Goods or Services, and are not binding on Buyer without the express prior written acceptance of such terms by Buyer's authorized officer. Any objection by Seller to the Contract, including these Terms, is deemed waived by Seller upon the occurrence of any of the conditions described in (a) through (d) above, absent Buyer's express written agreement to amend or otherwise modify the In the event the Purchase Order is determined by a court in a final non-appealable decision to comprise any acceptance of a prior offer by Seller, such acceptance is strictly limited to the terms and conditions set forth in the Contract. In the event a

conflict between the Supply Agreement, Purchase Order and these Terms, the specific terms and conditions of the Supply Agreement will govern and control. In the event a conflict between the Purchase Order and these Terms, the specific terms and conditions of the Purchase Order will govern and control.

# 1.2 Changes

Buyer reserves the right at any time to proceed with a change including changes to: (a) specifications, drawings, blueprints and data; (b) method of packaging, packing or shipment; (c) place, date and/or time of delivery; and (d) any inspection, testing or quality control requirements, or any other changes to the applicable scope of work. Seller agrees to promptly make such changes. Any such changes shall be deemed not to affect the time for performance or cost under the Purchase Order unless, within ten (10) days of Buyer's issuance of such notice, Seller notifies Buyer in writing of any impact on the price or time for delivery or performance and a detailed claim for any requested adjustment(s) thereto (together with supporting information and related documentation). If after reviewing such claim and request, Buyer determines in its sole judgment that an adjustment is warranted, the parties will discuss an equitable adjustment taking into consideration any adjustments received by Buyer from the Customer. contained in this clause shall relieve Seller from proceeding without delay in the performance of the Contract as changed.

Seller shall make no changes to the manufacture of the Goods or performance of the Services, including any changes in manufacturing or assembly processes or procedures, specifications, designs, materials, internal or external finishes, fitments, forms or functions, location of manufacturing facilities, or personnel performing the Services, without Buyer's prior written consent. If Seller proposes a change, Seller shall notify Buyer in writing at least one hundred twenty (120) days prior to the proposed date of implementation together with all necessary information documentation so as to permit Buyer to fully assess the proposed change. Seller shall provide, at Seller's sole cost, any samples and additional information, testing or other data requested by Buyer at the times and in the form requested by Buyer. In connection with and prior to implementation of any such change request approved by Buyer in writing, Buyer may condition its approval on and otherwise require, among any other requirements demanded of Seller, that (y) adjustments be made to the price or time for delivery of the goods or performance of the Services; and (z) Seller, at Seller's sole cost, prepare a safety stock of the Goods satisfactory to Buyer. No changes may be made by Seller other than in accordance herewith.

## 1.3 Term

Subject to Buyer's termination rights, the Purchase Order is binding on Buyer and Seller for the length of the production life of the applicable Customer vehicle program for which Buyer intends to incorporate the Goods or Services; provided, however Seller's obligation with respect to service and replacement parts shall survive termination or expiration of the Purchase Order. Seller acknowledges and assumes the risk of the vehicle program production life being cancelled or extended by the Customer and agrees to supply according to any applicable program life changes.

# 2. Goods, Services and Price

#### 2.1 Quantity

Unless a specific unit (or similar) quantity of Goods or Services is ordered and reflected on the face of the Purchase Order, the Contract is a requirements contract under which Seller is required to supply to Buyer, and Buyer is required to purchase from Seller, the percentage of Buyer's requirements of the Goods or Services set forth on the Purchase Order; provided, however, if no such percentage is stated, Buyer hereby agrees to purchase from Seller, and Seller hereby agrees to supply to Buyer, one hundred percent (100%) of Buyer's requirements for the Goods or Services, and in each case those requirements will be reflected in unit (or similar) quantities that are specifically identified by Buyer as firm orders or releases issued or otherwise made available to Seller. Seller shall immediately notify Buyer in writing if Seller is or may be unable to deliver the Goods or perform the Services in the quantities required by Buyer. Buyer's requirements are determined by the needs of the Customer, and market, economic, or other related conditions. Buyer shall not be required to accept or make payment for the Goods delivered to or the Services performed for Buyer that are in excess of quantities specified in the Purchase Order or releases and Buyer may return overshipments to Seller at Seller's expense or otherwise reject excess Services.

Should Buyer agree to a Minimum Order Quantity ("MOQ"), it is understood that such MOQ will not apply during ramp-up (from award to six (6) months after start of production) and ramp-down (last year of production) and during the period following serial production, unless otherwise agreed in writing by Buyer. Unless the Contract is for one hundred percent (100%) of Buyer's requirements for the applicable Goods or Services or it is otherwise specifically stated in the Contract, the Contract is not exclusive with respect to such Goods or Services, and Buyer may purchase similar goods and services from third parties. Notwithstanding anything in the Contract to the contrary, Buyer may purchase and use Goods or Services from other suppliers for purposes of (i) evaluation, qualification, trial production testing or similar purposes, and/or (ii) protecting against actual, threatened, potential or perceived shortages or disruptions in supply from Seller, including in connection with any Excusable Delay, breach or threatened breach by Seller of the Contract, and/or as otherwise permitted by the Contract.

# 2.2 Current-Model Service Requirements

During the Contract Term, Seller will make the Goods covered by the Contract available to Buyer for Buyer's current-model service requirements at the then-current production prices under the Contract.

# 2.3 Past-Model Service Requirements

If a Contract remains in effect at the end of the production program in which the Goods covered by the Contract are incorporated, Seller will also make those Goods available to Buyer for Buyer's pastmodel service requirements for a period of twenty (20) years after the end of the production program.

Unless otherwise agreed in writing by Buyer, the parties agree that the current model price will be maintained for the first ten (10) years and past this delay period, both parties will negotiate in good faith the prices, quantities, and delivery terms for pastmodel service Goods. If the Goods are systems or modules or otherwise component based, Seller shall sell each module, component or part at a price that does not, in the aggregate, exceed the complete Good price specified in the Purchase Order, less applicable assembly costs. Seller shall make service literature and

other materials available to Buyer in a form requested by Buyer (including, electronically) upon request from time to time at Seller's sole cost.

# 2.4 Price Warranties and Competitiveness

- (a) Unless otherwise agreed in writing, the price shall be production price only. Buyer shall not be charged for any prototype prices nor any setup or similar fees.
- (b) Seller warrants that the prices for the Goods and the Services are, and shall remain, not less favorable to Buyer than the prices currently extended to any other customer of Seller for the same or substantially similar goods or services during the Term. Seller shall immediately reduce the prices of the Goods and the Services accordingly without demand in the event the foregoing warranty is breached.
- (c) Seller warrants that the prices in the Contract shall be complete and include all customs expenses, duties, tariffs, and taxes, storage, detention, handling, preparation, packaging, boxing, crating, cartage, transportation, insurance, setup, and all other known or unknown direct and indirect Seller costs, and no surcharges, premiums or other additional charges of any type shall be added, without Buyer's prior written consent. Seller shall not invoice Buyer for the Goods or Services at prices higher than stated in the Purchase Order. Prices are not subject to increase, and Seller expressly assumes the risk of any event or cause (whether or not foreseen) affecting such prices, including any change in foreign exchange rate, transportation costs, raw materials costs, packaging cost, duties cost, inflation, increases in labor and other manufacturing costs.
- (d) Seller shall ensure that the Goods and the Services remain competitive, in terms of price, technology, service-level and quality, with substantially similar goods and services. If a competitor to Seller offers goods or services substantially similar to the Goods or Services that are of better value, technology, service-level or quality, then within fifteen (15) days of Buyer's demand, Seller shall meet or exceed such competitive offer.

Should Seller fail to timely issue its revised offer, Buyer is authorized to revise the Purchase Order, as applicable, and Seller shall be automatically deemed to have accepted such revised Purchase Order.

# 3. Delivery

# 3.1 Packing and Shipment

All Goods shall be suitably prepared for shipment and must be labeled, packed, routed, and shipped in accordance with Buyer's instructions specifications as provided from time to time, and otherwise in compliance with applicable law. Buyer may specify the method of transportation and the type and number of packing slips and other documents to be provided with each shipment. Seller will pack and ship the Goods in accordance with Buyer's instructions, including labeling and hazardous materials instructions required by law. Buyer requires that the packaging protects the Goods against damage, that it is the smallest possible, it is stackable and uses at least 80% of the volume of a regular 53' trailer. If Buyer has not provided packing or shipping instructions, Seller will pack and ship the Goods in accordance with this section and sound commercial practices and otherwise in a manner that will ensure that the Goods are adequately protected against damage and deterioration in transit. If Seller is required to use Buyer's returnable packaging, Seller will be responsible for cleaning and returning the returnable packaging. If returnable packaging is not available, upon written authorization by Buyer, Seller may use expendable packaging at its risk and expense unless Buyer agrees otherwise in Seller will promptly provide Buyer all writing. necessary papers with each shipment as required by applicable law, and any additional papers required to communicate the (a) applicable Purchase Order or release number; (b) Buyer and Seller part numbers; (c) number of units, boxes, pallets, and containers in the shipment; (d) Seller's name and contact information; and (e) bill of lading number.

#### 3.2 Delivery Schedules

TIME AND QUANTITY IS OF THE ESSENCE IN SELLER'S PERFORMANCE OF THE CONTRACT. Seller will deliver the Goods and Services in strict accordance with the Contract terms. Unless otherwise stated in the Contract, the Goods will be delivered D.D.P. Buyer's dock (Incoterms 2020) for raw material and F.C.A. Seller's dock (Incoterms 2020) for components. Title and risk of loss to the Goods will transfer to Buyer upon receipt of the Goods at the specified delivery location. If Seller fails or refuses to proceed with the Purchase Order or fails to deliver the Goods or perform the Services within the delivery

dates and times specified in the Contract, Buyer may, without limiting or affecting its other rights or remedies available hereunder or at law, terminate the Contract. In addition, Buyer may, without limiting or affecting its other rights or remedies available hereunder or at law, direct expedited shipment and/or incur premium freight or transportation costs, and Seller shall pay all excess costs incurred thereby, including additional handling charges and other expenses (whether related or not) resulting therefrom. Buyer is not obligated to accept early or late deliveries or performances, or partial or excess deliveries or performances. Risk of loss or damage and responsibility for the storage, maintenance, insurance, and return of any rejected deliveries shall be borne solely by Seller. Seller shall be responsible for all other Losses (as defined below) incurred by Buyer as a result of Seller's failure to meet the delivery dates or times, including the cost of any line shutdown and the cost of obtaining goods from an alternate source. Buyer's actions in obtaining substitute or replacement goods shall not limit the rights and remedies available hereunder or at law. Buyer may change the timing of scheduled shipments or direct temporary suspension of scheduled shipments without entitling Seller to a price adjustment or other compensation. No act of Buyer, including acceptance of early, late, partial or excess deliveries or performance, shall act as a waiver of Buyer's rights under this section.

#### 3.3 Forecasts

Estimates, forecasts or projections of anticipated requirements for the Goods and Services or program lengths provided by Buyer, if any, are provided for informational purposes only and are subject to change for any variety of internal and external factors within and outside Buyer's control. Buyer makes no representation, warranty, express or implied, including, as to the accuracy or completeness of any such estimates, forecasts or projections provided by Buyer to Seller from time to time. No such estimate, forecast or projection shall be deemed or otherwise construed as any form of commitment of Buyer or otherwise binding on Buyer in any respect.

# 3.4 Work on Premises

If performance of the Services or delivery or installation of the Goods by Seller involves operations by its or its subsidiaries, affiliates, subcontractors or suppliers, or its or their equity holders, employees, directors, officers, managers, advisors, agents or other representatives (collectively, "Representatives") at the premises of Buyer or the Customer; (a) Seller shall at all times enforce strict discipline and maintain good order among all persons engaged in the activity on the premises and shall cause them to comply with all policies in force at the premises, including, all fire prevention and safety rules and regulations; and (b) Seller shall keep the premises free from accumulation of waste materials and rubbish caused by such Representatives and upon completion shall promptly remove all of Seller's equipment and surplus materials.

# 4. Ingredients; Malicious Code

#### 4.1 Disclosure

Upon Buyer's request and within seven (7) days, Seller will furnish to Buyer in such form and detail as Buyer may direct: (a) a list of all ingredients and materials incorporated in the Goods or utilized in connection with performance of the Services; (b) the amount of such ingredients and materials; and (c) information concerning any changes in or additions to such ingredients and materials. Prior to and with the shipment of the Goods or performance of the Services, Seller agrees to furnish to Buyer sufficient advance warning and notice, in writing (including, appropriate labels on the Goods, containers and packing), of any dangerous Goods or hazardous material that is an ingredient or a part of any shipment of the Goods or utilized in connection with performance of the Services, together with such special handling instructions as may be necessary to advise carriers, the Customer and/or their respective Representatives of how to exercise that measure of care and precaution that will comply with any applicable laws or regulations and best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Goods, containers and packing shipped to Buyer or otherwise in connection with performance of the Services.

Upon Buyer's request, Seller will certify to Buyer in writing the origin of any ingredients or materials in the Goods or utilized in connection with performance of the Services. Seller will promptly provide, in writing, any information regarding the Goods or Services requested by Buyer so that Buyer may comply in a timely manner with reporting requirements under applicable law with respect to consumer protection,

"conflict minerals" or similar materials or ingredients, if any.

# 4.2 Malicious Code

Seller will use standard industry best practices to ensure that no malicious code is directly or indirectly provided, delivered or transmitted to Buyer through any Goods, Services, software, hardware or any other mode. As used herein, "malicious code" means any code which is designed to harm, or otherwise disrupt in any unauthorized manner, the operation of a person's network or computer programs or systems (whether owned, leased, rented or otherwise hosted), or destroy or damage a person's data in an unauthorized manner.

# 5. Inspection

Buyer may, upon reasonable advance notice to Seller, inspect production processes and Property and conduct testing at Seller's premises to verify Seller's performance under the Contract.

Buyer has the right to inspect any and all of the Goods, both prior to and after making payment. Buyer is not required to inspect the Goods delivered or the Services performed, and no inspection or failure to inspect will reduce or alter Seller's obligations under the Contract. Seller shall reimburse Buyer for the cost of inspection of rejected Goods and Services. Rejected Goods may be returned to Seller at Seller's risk and expense, as described in more detail in section 3.2 above.

Buyer's payment for and/or acceptance of the Goods or the Services shall not relieve Seller from any of its obligations and/or warranties under the Contract.

Seller shall conform to the quality control standards and inspection systems, as well as related standards, policies and systems that are established or required by Buyer and/or the Customer. Seller agrees to meet the full requirements of industry Production Part Approval Processes (PPAP) as specified by Buyer and the Customer, as applicable, and agrees to present this information and any supporting documentation to Buyer upon request, at the level requested. Seller will preserve information described under this section for the longer of eight (8) years or the life of the relevant program plus eight (8) years or, if required by the Customer, such longer period.

# 6. Taxes

Unless otherwise stated in the Contract, the Contract price includes all applicable foreign, federal, state, provincial, and local taxes, duties and tariffs, other than sales, value added, or similar turnover taxes or charges. Seller will separately invoice Buyer for any sales, value added, or similar turnover taxes or charges that Seller is required by law to pay or collect from Buyer.

# 7. Payment and Setoff

Payment terms are as set forth in the Contract. If they are not specified in the Contract, Buyer will use one of the following payment terms: 2% net 15 days or net 2<sup>nd</sup> day of the second month. Seller will promptly submit correct and complete invoices or other agreed billing appropriate communications with supporting documentation and other information reasonably required by Buyer after delivery of the Goods and/or performance of the Services, and Buyer may withhold payment until a correct and complete invoice or other required information, including evidence that the Goods and/or Services were delivered or performed, as applicable, absent any liens, claims or encumbrances, is received and verified. Invoices submitted after one (1) year of delivery of the Goods and/or performance of the Services will not be paid. Seller will accept payment by check or other cash equivalent, including electronic funds transfer. Buyer will pay Seller in the currency specified in the Contract or, if none is specified, in the currency of Buyer's order location. In addition to any right of setoff or recoupment provided by applicable law, all amounts due to Seller shall be considered net of indebtedness of Seller and/or its affiliates/subsidiaries to Buver and/or affiliates/subsidiaries. Buyer may deduct any amounts due or to become due from Seller and/or its affiliates/subsidiaries Buver and/or to affiliates/subsidiaries from any sums due or to become due from Buyer and/or its affiliates/subsidiaries. If an obligation of Seller is disputed, contingent or unliquidated, Buyer may defer payment of all or any portion of an amount due until such dispute or contingency is resolved or the obligation is liquidated. In the event of Seller's bankruptcy, if all of the orders (including this Purchase Order) between Buyer and Seller have not been assumed (under applicable bankruptcy law), then Buyer may withhold payment to Seller for the Goods previously delivered (via administrative hold or otherwise) until the risk of potential rejection and other damages is eliminated.

# 8. Goods and Services Warranties

#### 8.1 Seller's Warranties

For the longer of the period for which the (a) Customer warrants the goods which incorporate or otherwise utilize the Goods or Services to its end users or the period provided by law, unless otherwise agreed to and signed by Buyer in writing, Seller warrants to Buyer that the Goods, Services, and any Property (as defined below) obtained by Seller for the performance of the Contract shall: (1) conform to all final drawings, specifications, samples and other descriptions furnished, specified or adopted by Buyer; (2) comply with all applicable laws, regulations, rules, codes and standards of the jurisdictions in which the Goods, the Services, or the goods containing the Goods and Services are to be consumed, used, sold or performed; (3) be merchantable; (4) be free from any defects in design, to the extent furnished by Seller or any of its subcontractors or suppliers, even if the design has been approved by Buyer; (5) be free of any defects in materials and workmanship; (6) be manufactured entirely of new materials; (7) be fit, sufficient and suitable for the particular purpose for which Buyer intends to use the Goods or the Services, including the specified performance in the component, system, subsystem or end-product location on the vehicle and the environment in which they are or may reasonably expected to perform; (8) not infringe, misappropriate, dilute or otherwise violate the Intellectual Property Rights (as defined below) of any third party; and (9) be free of all liens, claims and encumbrances whatsoever. For the purposes of this section, Seller acknowledges that Seller knows the particular purpose for which Buyer intends to use the Goods or the Services.

If the Contract is for Services, Seller represents and warrants that such Services shall be performed in accordance with the highest standards of professional and ethical competences and integrity in Seller's by individuals with the necessary knowledge, skill, expertise, and training in a diligent, workmanlike, prompt, and professional manner. Seller shall provide reasonable access to the persons performing the Services and promptly replace any such person Buyer determines is unfit unsatisfactory. Seller will promptly notify Buyer if any Intellectual **Property** Right, including, discoveries, improvements, inventions, creations, writings, product designs, prototypes, specifications,

drawings or other works that Seller conceives, reduces to practice, makes or otherwise creates in connection with the performance of the Services, and such Intellectual Property Right will constitute deliverables owned by Buyer.

The warranties provided in this section are in addition to all other warranties available under applicable law, express or implied, and all such warranties shall survive inspection, testing, audit, review, acceptance, use or incorporation of the Goods and Services by Buyer.

Seller shall indemnify, defend and hold (b) harmless Buyer, its affiliates and Customers, and the direct and indirect users of the goods and services sold by Buyer, and each of their respective Representatives, customers, successors, invitees, and assigns (collectively, "Indemnified Parties") from and against all Losses arising from or as a result of: (1) any breach or failure by Seller or its Representatives to comply with any of the terms and conditions of the Contract (including, these Terms), including, any breach of Seller's representations, warranties or covenants; (2) any other acts, omissions or negligence of Seller or of any of its subcontractors or suppliers in connection with Seller's performance of its obligations under the Contract; (3) any breach of confidentiality; or (4) any actual or alleged noncompliance by Seller or its Representatives with applicable laws, regulations, rules, codes, ordinances, orders, and standards of the jurisdictions in which the Goods or Services, and the goods and services containing the Goods and Services, are to be consumed, used, sold or performed. "Losses" shall include all liabilities, claims, demands, losses, costs, damages and expenses of any nature or kind, including, incidental, indirect, consequential and special damages, personal injury, death, property damages, anticipated or lost profits, Recall (as defined below) costs, costs allocated under a Customer warranty allocation program, production delay or interruption costs, inspection, handling and reworking charges, attorney and other professional fees, and other costs associated with Indemnified Parties' administrative time, labor and materials, and any settlements or judgments related thereto. Buyer may defend, or participate in the defense of (at Seller's sole cost), any claim brought by any third party entitling Buyer to indemnification under the Contract. Seller agrees that Buyer's action to defend such claims (or participate in such defense) is in the interest of both Buyer and Seller and is done to mitigate damages.

Seller waives the right to argue that Buyer's defense of such claims in any way limits Buyer's right to seek indemnity from Seller or assert a claim against Seller. Seller's obligation to provide indemnification as described in this paragraph shall apply regardless of whether any claim arises in tort, negligence, contract, warranty, strict liability or otherwise. For avoidance of doubt, no limitations on Buyer's rights or remedies in any of Seller's documents shall reduce or exclude such indemnification.

- (c) During the time period the Contract remains in effect, Seller warrants that it will not supply information, Goods or Services directly to the Customer for the program for which Buyer intends to incorporate the Goods or Services without Buyer's prior written consent.
- (d) Seller will pass through to Buyer a manufacturer's certificate of analysis for every lot for which Seller receives the same. Seller will provide Buyer with a wash ticket certificate for each delivery mentioning that the transporter has cleaned the bulk truck.

# 8.2 Non-Conforming Goods

- (a) If any of the Goods or Services fail to meet the requirements of the Contract, Seller shall, upon notice thereof from Buyer at any time, promptly repair, replace or otherwise satisfactorily deal with the same in a manner acceptable to Buyer, all at Seller's expense and without limiting or affecting Buyer's other rights or remedies available hereunder or at law. Seller's warranties and other obligations under the Contract shall also apply to such repaired, replaced or otherwise satisfactorily dealt with Goods or Services.
- (b) If Seller fails to repair, replace or otherwise deal with any defective or non-conforming Goods or Services in a manner acceptable to Buyer, Buyer may, without limiting or affecting Buyer's other rights or remedies available hereunder or at law, terminate the Contract.
- (c) All defective or non-conforming Goods shall be held at Seller's risk and expense, as described in more detail in section 3.2 above. Without limiting the foregoing, Buyer may return such defective or non-conforming Goods to Seller at Seller's risk, and Seller shall promptly pay all transportation and other applicable charges, both to and from the original destination.

- (d) Any payment made by Buyer for defective or non-conforming Goods or Services shall be refunded by Seller, except to the extent that Seller promptly replaces or corrects the same at Seller's expense to Buyer's satisfaction.
- (e) None of Buyer or any other Indemnified Party shall be liable for, or be obligated to indemnify, defend or hold any of Seller or its subsidiaries, affiliates, subcontractors or suppliers, or its or their Representatives, invitees, successors, and assigns harmless from and against, any Losses arising from or as a result of non-conforming Goods or Services.

# 8.3 Recalls

This section applies to any voluntary governmentmandated offer (including, recalls or other field or corrective service actions) by Buyer (or the OEM manufacturer or other Customer), including, to remedy an alleged or suspected defect that affects safety or to address an alleged or suspected failure with an applicable safety standard or guideline (a "Recall"). Seller will be liable for Losses resulting from a Recall to the extent the Recall results, in whole or in part, from a failure of the Goods to conform to the warranties in section 8.1 or Seller's breach of any provision set forth in the Contract. Buyer will endeavor to (a) notify Seller as soon as reasonably practicable after Buyer learns that a Recall being considered involves the Goods; (b) provide information relating to the potential Recall; and (c) reasonably consult with Seller about the most cost-effective method of modifying or replacing systems or component parts, including the Goods, in order to remedy the alleged defect or noncompliance, in each case as deemed reasonable or appropriate in Buyer's sole discretion, and subject to Buyer and Seller entering into a joint defense or similar arrangement to ensure adequate protections or preserve privileges.

# 9. Product Liability

Without otherwise limiting Seller's obligations under section 8 above, Seller will indemnify, defend and hold harmless Buyer and each other Indemnified Party against third-party claims or demands for injury or death to persons, property damage, economic loss, and any other resulting Losses, regardless of whether the claim or demand arises under tort, contract, strict liability, or other legal theories, if and to the extent caused by Seller's defective design (if Seller has warranted design) or manufacture of the Goods or

provision of the Services, or delivery of nonconforming or defective Goods or Services, or its negligent acts or omissions or non-compliance in its performance under the Contract.

## 10. Compliance with Laws

Seller will comply with applicable laws, rules and regulations of the country where the Goods are manufactured, where the Goods will be delivered or used, or where the Services are performed, including any data protection laws and cybersecurity laws. Seller will provide Buyer with material safety data sheets regarding the Goods and, upon Buyer's request, will provide Buyer with other information reasonably required in order to comply with applicable laws.

# 11. Intellectual Property Rights

# 11.1 Buyer's Intellectual Property

Buyer does not transfer to Seller any patent, trade secret, trademark, service mark, copyright, mask work, work-of-authorship, industrial design, technical information, know-how, process of manufacture or other intellectual property right ("Intellectual Property Right") of Buyer in information, documents, or property that Buyer makes available to Seller or otherwise under the Contract, other than the limited right to use Buyer's Intellectual Property Rights as strictly required to produce and supply the Goods to, and perform the Services for, Buyer.

# 11.2 Seller's Intellectual Property

(a) Except as stated in this section, Seller does not transfer to Buyer any Intellectual Property Right of Seller related to the Goods or Services or incorporated in Buyer's Property, other than the right to incorporate or otherwise utilize the Goods or Services purchased from Seller in goods and services to be sold by Buyer to Customers or the public. Notwithstanding the foregoing, Seller agrees that it will not incorporate into any Good supplied or Service provided under this Contract any Intellectual Property Right of Seller without Buyer's prior written consent. To the extent any Intellectual Property Right of Seller is incorporated, with or without Buyer's consent, and if the Contract is terminated by Buyer pursuant to section 15, Seller hereby grants to

Buyer and its designees an irrevocable, nonexclusive, worldwide royalty free right and license to make, have made, use, sell and exploit Seller's Intellectual Property Rights during the Contract Term that would have applied (and any extensions thereof) had it not been earlier terminated under section 15, and subject to section 17, including, to use such Seller's Intellectual Property Rights to obtain from alternate sources goods and services similar to the Goods and Services. Seller hereby further grants to Buyer a permanent, paid-up, irrevocable, nonexclusive, worldwide license to use, repair, modify, and sell any software incorporated in the Goods or Services in conjunction with the use, sale or any other exploitation thereof.

To the extent that Seller creates or develops (b) any Intellectual Property Right in the performance of Seller's obligations under the Contract, such Intellectual Property Right will be owned by Buyer and may not be used by Seller except for the performance of the Contract. However, to the extent such Intellectual Property Right is not owned by Buyer, Seller: (i) hereby assigns and agrees to assign, to Buyer each work-of-authorship, invention, discovery or improvement (whether or not patentable) that is conceived or first reduced to practice by Seller, or by any person employed by or working under the direction of Seller, in the performance of Seller's obligations under the Contract; and (ii) shall promptly disclose in an acceptable form to Buyer all such Intellectual Property Rights and cause Seller's Representatives to sign any papers necessary to enable Buyer to obtain title to and to file applications for registration of same throughout the world. To the extent that any works of authorship (including, software and computer programs) are created in the performance of Seller's obligations under the Contract, such works shall be considered "works made for hire", and to the extent that such works do not qualify as "works made for hire", Seller hereby assigns and agrees to assign, to Buyer all right, title, and interest in all copyrights and moral rights therein. Upon Buyer's request, Seller agrees to provide all documents and other information necessary for Buyer's (or its designee's) use of such Intellectual Property Right. Seller will provide Buyer (on a non-confidential basis) all technical information requested by Buyer from time to time relating to the Goods and Services which is necessary or useful to Buyer's every use of the Goods and Services, including, with respect to the manufacture, design, and performance of such Goods

and Services, and any drawings, engineering qualifications, applications, validations. compliance or other testing. Seller will not assert and hereby irrevocably waives any claim against Buyer, the Customers, and Buyer's designees with respect to any information, including technical information, used, disclosed or otherwise made available by Seller in connection with the provision of the Goods and Services under the Contract, excluding valid claims of infringement concerning patented Intellectual Property Right not licensed pursuant to this section. Seller hereby irrevocably authorizes Buyer, its affiliates, agents, and Customers, and each of their subcontractors to repair, reconstruct or rebuild the Goods delivered under this Contract without payment of any royalty or other compensation to Seller.

(c) Seller shall not manufacture or provide, or offer to manufacture or provide, any goods or services that are based in whole or in part upon Buyer's Intellectual Property Rights and/or the drawings or specifications in respect of the Goods or Services, or any derivative thereof, or otherwise, whether for its own purposes (other than to satisfy its obligations under the Contract), for the Customer or any other third parties, without Buyer's prior written consent.

# 11.3 Infringement

Without otherwise limiting Seller's obligations under section 8 above, Seller will indemnify, defend and hold harmless Buyer and each other Indemnified Party from and against all Losses arising from or as a result of the actual or alleged infringement by the Goods or Services (or such party's use, manufacture or sale thereof) of a third-party Intellectual Property Right. If a claim under this section results, or is likely to result, in an injunction or other order that would prevent Seller from supplying (or performing) or Buyer from using or otherwise exploiting the Goods or Services, Seller will at its option and expense either (i) secure a license of the Intellectual Property Right that permits Buyer to purchase and use the Goods or Services; (ii) modify the Goods or Services so that they become non-infringing, so long as the modification does not materially alter the operation or performance of the Goods or Services; or (iii) replace the Goods or re-perform the Services with noninfringing but reasonably equivalent Goods or Services, as determined by Buyer in its sole discretion. Seller shall not settle any action in a

manner that adversely affects the rights of Buyer without Buyer's prior written consent.

# 12. Directed-buy Seller

If a Customer directs, recommends or requests that Seller be Buyer's source for the Goods or Services: (a) payment from Buyer, for the Goods or Services, will be due to Seller only after, to the extent of, and in proportion to Buyer's actual receipt of payment from such Customer for Buyer's component parts or assembled goods into which the Goods or Services are incorporated or otherwise utilized; (b) any extension of such Customer's payment terms to Buyer for Buyer's component parts or assembled goods into which the Goods or Services are incorporated or otherwise utilized will automatically extend, by the same amount of time, the payment terms between Buyer and Seller; and (c) Seller has to give reduction to Buyer equivalent to the productivity reduction that Buyer gives to the Customer.

## 13. Counterfeit Goods

Seller must ensure that there is no risk of counterfeit goods being shipped to Buyer. Counterfeit goods are defined as items that are, or contain, unlawful or unauthorized reproductions, substitutions or alterations that have been knowingly mismarked, misidentified or otherwise misrepresented to be an original manufacturer's part. Seller must have strict procurement policies in place to ensure traceability for all items incorporated into or otherwise utilized in their goods and services.

# 14. Property

# 14.1 Buyer's Property

(a) Buyer will own the tooling, jigs, dies, gauges, fixtures, molds, patterns, supplies, materials, and other equipment and property used by Seller to manufacture, store, and transport the Goods or provide Services ("Property") that (i) has been furnished to Seller by Buyer or on Buyer's behalf; (ii) has been paid for by Buyer or on Buyer's behalf; or (iii) will be amortized over the time of the Contract, including any replacement thereof, or any additions, attachments, accessories and repairs ("Buyer's Property"), all of which are and will remain the property of Buyer. Upon request by Buyer, Seller shall provide access to permit Buyer or its Representatives to inspect Buyer's Property. Seller will assign to Buyer contract rights or

claims in which Seller has an interest with respect to Buyer's Property and execute bills of sale, financing statements, or other documents requested by Buyer to evidence its or the Customer's ownership of Buyer's Property. All of Buyer's Property must be plainly marked as the property of Buyer and shall be safely stored by Seller. Seller shall promptly notify Buyer of the location of Buyer's Property if ever located (even temporarily) at any place other than Seller's approved premises. While in Seller's direct or indirect control, Buyer's Property will be held at Seller's risk and will be insured by Seller at Seller's expense in an amount equal to the replacement-value cost, with loss payable to Buyer. Seller must use Buyer's Property in a careful and safe manner and, without otherwise limiting Seller's obligations under section 8 above, shall indemnify, defend, and hold harmless Buyer and each other Indemnified Party from and against all Losses arising from or as a result of the installation, use, storage, transport, maintenance (or failure to so maintain), repair, commissioning or decommissioning of Buyer's Property. Seller will hold Buyer's Property as a bailee at will and will be responsible for loss or damage to Buyer's Property while in its possession or direct or indirect control. Seller hereby waives any lien or similar right it may have with respect to Buyer's Property.

- (b) Seller will (1) at its expense maintain Buyer's Property in good condition and repair, normal wear and tear excepted, throughout the useful life of Buyer's Property; (2) use Buyer's Property only for the manufacture, storage, and transport of the Goods or performance of the Services for Buyer; (3) mark Buyer's Property as belonging to Buyer or the Customer as directed by Buyer; and (4) not remove Buyer's Property (other than shipping containers and the like) from Seller's approved premises without Buyer's written approval.
- (c) Buyer will pay for Buyer's Property that it has agreed to purchase at the amount specified in the Contract or, if no amount is specified in the Contract, at (i) Seller's actual cost of Buyer's Property, if manufactured by a third party unaffiliated with Seller, less any amounts previously paid to Seller; or (ii) Seller's actual cost of purchased materials, components, and services plus Seller's actual cost of labor and overhead directly allocable to Buyer's Property, if manufactured by Seller, less any amounts previously paid to Seller. The foregoing amounts that comprise the purchase price are subject to audit and

verification upon Buyer's request. All amounts that Buyer determines are not validly due and owing following the conduct of such audit, will be deducted from the purchase price. Unless otherwise stated in the Contract, final payment for Buyer's Property is due on the later of (1) the Customer manufacturer's PPAP (Production Part Approval Process) approval date; or (2) the date on which the Contract provides for payment.

(d) Upon request by Buyer, Seller will immediately release Buyer's Property and prepare it for shipment or deliver it to Buyer or Customer, as requested, in the manner requested. For the avoidance of doubt, Buyer may retake immediate possession of Buyer's

Property and other property of Buyer or the Customer(s) at any time, with or without cause and without payment of any kind. Seller will deliver the requested Buyer's Property and other property to Buyer, D.A.P. Buyer's dock (Incoterms 2020), properly packed and marked in accordance with the requirements of Buyer's carrier.

TO THE EXTENT PERMITTED BY (e) APPLICABLE LAW, BUYER SHALL HAVE NO LIABILITY TO SELLER OR ANY OTHER PERSON SPECIAL, FOR ANY INCIDENTAL, CONSEQUENTIAL, **INDIRECT** OR **OTHER** DAMAGES OF ANY KIND WHATSOEVER RELATING TO BUYER'S PROPERTY. BUYER DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO BUYER'S PROPERTY, INCLUDING, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND SELLER WAIVES, FOR ITSELF AND ITS SUCCESSORS AND ASSIGNS, ALL CLAIMS OF NEGLIGENCE AND STRICT LIABILITY.

# 14.2 Seller's Property

Seller will own all Property that is not Buyer's Property ("Seller's Property"). Seller will at its expense furnish, maintain in good condition, and replace when necessary Seller's Property needed to perform the Contract. Seller grants Buyer an irrevocable option to take possession of and title to Seller's Property that is used exclusively for the production of the Goods or performance of the Services upon payment to Seller of its net book value less any amounts that Buyer has

previously paid to Seller for the cost of such items, but less any amounts otherwise owing to Buyer by Seller; provided, however, that this option will not apply if Seller's Property is used to produce goods that are the standard stock of Seller or if a substantial quantity of like goods are being sold by Seller to others.

### 15. Termination

### 15.1 Termination for Convenience

- (a) In addition to any other rights of Buyer to terminate the Contract, Buyer may, in its sole discretion, upon thirty (30) days prior notice to Seller or, if applicable, such shorter period as may be required by the Customer, terminate the Contract for convenience or any other reason, in whole or in part at any time, and notwithstanding the existence of any Excusable Delay or other events or circumstances affecting Seller. Seller may not terminate the Contract for convenience or any other reason.
- (b) Upon receipt of notice of termination from Buyer, Seller shall: (i) stop work under the Contract and any other orders related to work terminated by such notice; (ii) protect all property in Seller's possession or control in which Buyer has or may acquire an interest, including Buyer's Property; and (iii) cooperate with Buyer as requested to transfer the provision of the Goods or Services to the person(s) designated by Buyer, as further described in section 15.4 below. Seller shall promptly submit to Buyer in writing a comprehensive termination claim relating to such termination, with sufficient supporting data, within twenty one (21) days from the effective date of such termination. Seller hereby grants Buyer the right to audit and inspect its books, records and other documents relating to any termination claims.
- (c) Subject to Buyer's rights under these Terms, Buyer shall, in addition to making payment of the price specified in the Contract for the conforming Goods and the Services delivered or performed and accepted by Buyer prior to the effective date of termination, pay to Seller the following amounts, without duplication, contingent in all respects on Seller timely and properly submitting a termination claim pursuant to section 15.1(b) above: (i) the price specified in the Contract for the Goods and the Services manufactured, accepted, and provided in accordance with the terms of the Contract but not previously paid for; (ii) following delivery to and acceptance by Buyer, the price specified in the Contract for the Goods manufactured
- pursuant to Buyer's firm releases and otherwise in accordance with the terms of the Contract but not yet delivered at the time of termination; and (iii) following delivery to and acceptance by Buyer, the reasonable and actual out-of-pocket costs incurred by Seller (exclusive of profit) for work-in-process and raw materials manufactured or obtained by Seller pursuant to Buyer's firm releases, provided that such work-inprocess and raw materials (that are not based on Buyer's Intellectual Property Rights) cannot be consumed by Seller for other customers within one (1) year. Without limiting the foregoing, Buyer shall not be obligated to make any payment for: (x) the Goods, the Services, or work-in-process or parts or raw materials inventory that are manufactured, provided or procured by Seller in amounts in excess of those authorized in any firm release, that are damaged or destroyed, that are not merchantable or useable or that are otherwise nonconforming; (y) any undelivered Goods that are in Seller's standard stock; or (z) workin-process or parts or raw materials inventory that can be returned to Seller's suppliers or subcontractors for credit or that are readily marketable (and that are not based on Buyer's Intellectual Property Rights). In no event, however, will payments made in connection with a termination of the Contract exceed the aggregate price for the Goods or Services that would be manufactured or provided by Seller under any release outstanding at the effective date of termination. Buyer shall not be liable for and shall not be required to make payments to Seller, directly or indirectly (whether on account of claims by Seller's subcontractors or otherwise), for any loss arising from or attributable to failure to realize anticipated revenue, savings or profit, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation cost or general and administrative burden charges from a termination of the Contract. In the event of a termination of the Contract by Buyer as a result of Buyer ceasing to be a supplier to the Customer for the program in respect of which Buyer issued the Contract, Buyer shall only be obligated to compensate Seller for any costs under this section if, when and to the extent that the Customer reimburses Buyer for such costs.
- (d) Seller may, with Buyer's prior written consent, retain or sell at an agreed price any of the Goods, the Services, work in process or raw materials inventory, the cost of which is allocated or apportioned to and

shall credit or pay the amounts so agreed or received as Buyer directs, with an appropriate adjustment for any delivery cost savings. Seller shall, if directed by Buyer, transfer title to and make delivery of any Goods, work in process or raw materials inventory not so retained or sold.

Notwithstanding anything contained herein to (e) the contrary, and in addition to any other rights of Buyer to terminate the Contract, Buyer may, in its sole discretion, upon notice to Seller, terminate the Contract, in whole or in part, with respect to that portion of a Purchase Order or release issued in advance of Seller's quoted lead time, which lead time shall be commercially reasonable and otherwise agreeable to Buyer in all respects, or if no lead time has been quoted and agreed by Buyer, then the shortest amount of time required by a well-managed seller in Seller's industry providing goods and/or services similar to the Goods and/or Services. By way of example, if Seller's quoted lead time is eight (8) weeks and Buyer issues a Purchase Order or release twelve (12) weeks in advance of the scheduled delivery date(s), Buyer may terminate such Purchase Order or release under this section 15.1(e) until eight (8) weeks prior to the applicable scheduled delivery date(s). Any termination under this section 15.1(e) shall be without liability to Buyer, except for the Goods delivered or the Services performed by Seller and accepted by Buyer, if any.

# 15.2 Termination upon Seller's Default or Change of Control

(a) Buyer may terminate the Contract, in whole or in part, for default occasioned by Seller's: (i) breach or threatened breach of any terms of the Contract; (ii) failure or threatened failure to perform in accordance with the requirements of the Contract; (iii) failure to make progress so as to endanger timely and proper delivery of the Goods or completion of the Services; (iv) failure to promptly (in no event later than two (2) business days) and adequately respond to a demand for adequate assurance, and, in each such case, Seller does not correct such breach or failure within ten (10) days (or such shorter period of time as Buyer may determine, if commercially reasonable under the circumstances) after receipt of written notice from Buyer specifying such breach or failure. Seller shall be liable for all costs, damages and expenses caused by or resulting from its default under the Contract.

- (b) Buyer may terminate the Contract, in whole or in part, in the event of a change of control of Seller. For the purposes of the Contract, a "change of control" includes: (i) any sale, lease or exchange of a substantial portion of Seller's assets used in connection with Seller's performance of its obligations under the Contract; (ii) any sale or exchange of a sufficient number of shares of Seller, or of any affiliate that controls Seller, to effect a change in management of Seller; or (iii) the execution of a voting or other agreement of control in respect of Seller, or of any affiliate that controls Seller. Seller shall notify Buyer in writing within ten (10) days of any change of control of Seller, and Buyer may terminate the Contract immediately by giving written notice to Seller upon a change of control of Seller without Buyer's prior written consent.
- (c) Any termination under this section shall be without liability to Buyer, except for the Goods delivered or the Services performed by Seller and accepted by Buyer.
- (d) In the event any termination made pursuant to this section is later held by a court in a final nonappealable decision to have lacked cause as described in this section or otherwise, the parties acknowledge and agree that such termination shall be automatically deemed a termination for convenience pursuant to section 15.1 above.

# 15.3 Termination upon Insolvency, Bankruptcy, etc.

- (a) Buyer may terminate the Contract, without liability to Seller: (i) in the event of the insolvency, bankruptcy, reorganization, arrangement, receivership or liquidation by or against Seller; (ii) in the event Seller makes an assignment for the benefit of its creditors or ceases to carry on business in the ordinary course; or (iii) if a receiver is appointed in respect of Seller or all or part of its property (collectively, an "Insolvency Event"). In the event of such termination, Seller shall be liable for all costs, damages and expenses suffered by Buyer. Any such termination shall not affect the entitlement of Buyer with respect to Buyer's Property.
- (b) In the event that Buyer does not terminate the Contract upon the occurrence of an Insolvency Event, Buyer may make such equitable adjustments in the price and/or delivery requirements under the Contract as Buyer deems appropriate to address the change in Seller's circumstances, including Seller's on-going liability to perform its

obligations regarding warranty, defective Goods or Services or other requirements under the Contract.

# 15.4 Transition Support

In connection with any expiration or termination of the Contract or all or any part of the Purchase Order, Seller will cooperate with Buyer to transition the provision of the Goods and Services to the person(s) designated by Buyer (or to Buyer itself), at no additional cost to Buyer, including, by: (a) continuing production, delivery, and performance of all Goods and Services as directed by Buyer in accordance with the Purchase Order, without premium or other condition, as if the expiration or termination had not occurred, during the entire period required by Buyer to complete an orderly transition (as determined by Buyer in its sole discretion) and ensure there is no interruption to Buyer's ability to obtain the Goods and Services as needed in connection with Buyer's or the Customers' operations; (b) promptly providing all requested information and documentation regarding Seller's operations and access to Seller's facilities where the Goods are manufactured or the Services are performed; and (c) providing accommodations for special manufacturing or performance capacity and other transition support services as required by Buyer.

#### 16. Remedies

# 16.1 Remedies Generally

(a) The rights and remedies reserved to Buyer in this Contract shall be cumulative, and in addition to all other or further remedies provided in law or equity. Without limiting the foregoing, Seller shall reimburse Buyer upon demand for all Losses, including all costs, expenses and losses directly or indirectly incurred by Buyer (including all attorney or other professional fees) in connection with or otherwise arising from or as a result of any breach of the Contract by Seller, any obligation of Seller to indemnify Buyer, or any other failure by Seller to comply with Seller's obligations under the Contract, including all such Losses arising from or as a result of (i) inspecting, sorting, containing, repairing or replacing nonconforming Goods or Services; (ii) production interruptions; (iii) conducting Recalls; (iv) claims or litigation arising from personal injury (including death) or property damage caused by such nonconforming Goods or Services; (v) any amounts for which Buyer is liable to the Customer(s) on account of such breach, failure, or nonconforming

Goods; and (vi) enforcing any provision of the Contract. If requested by Buyer, Seller will enter into a separate agreement for the administration or processing of charge backs for nonconforming Goods. In addition, Seller shall reimburse Buyer for all Losses arising from or relating to (1) Seller's breach or anticipatory repudiation of the Contract or any other contract between Seller and Buyer; (2) a request or demand by Seller to modify or change the terms of the Contract; (3) legal proceedings involving Seller that in the reasonable judgment of Buyer, may impact upon Seller's continued or future performance under the Contract; or (4) any court case or proceedings in which Buyer appears, participates, monitors or becomes a party and in which Seller is also party. In the event Seller becomes a debtor in bankruptcy while any Seller obligations under the Contract remain outstanding, Buyer shall be entitled to all of its attorney's or other professional fees arising from or relating to the bankruptcy case, including for monitoring the case.

- (b) Seller expressly acknowledges and agrees that any failure of Seller to deliver the Goods or perform the Services on the delivery dates and times as specified in the Contract will cause irreparable harm to Buyer and that Buyer shall be entitled to equitable relief, including injunction, in such event.
- (c) Any proceeding or action initiated by Seller for breach of contract or any other act or omission (including tort) arising from or in any way related to the Contract must be commenced within one (1) year from the date the breach, act or omission giving rise to Seller's claim occurs, regardless of Seller's knowledge of such breach, act or omission or of its consequences.
- (d) Any right or remedy expressly conferred on Buyer herein shall not limit or modify any right or remedy which Buyer would otherwise have. When shipments to places other than Buyer's plant are authorized, Seller's invoices will be paid by Buyer at the time specified on the face thereof but not before acknowledgment of receipt of shipment by the consignee.
- (e) In no event will Buyer be liable to Seller or Seller's subcontractors for anticipated profits or for special, incidental or consequential damages.

# 16.2 Specific Performance

In the event that Seller fails or refuses to deliver the Goods or perform the Services, or otherwise repudiates or threatens to repudiate any provision of the Contract, Seller acknowledges that money damages will not be a sufficient remedy and agrees that, in addition to all other rights and remedies that Buyer may have under the Contract or applicable law, Buyer will be entitled to specific performance of Seller's obligations under the Contract and any other temporary, preliminary, or injunctive relief in connection with any action to enforce the Contract (without, in each case, any requirement of a bond or other security or showing damages in connection therewith).

# 17. Confidential Information

non-public, confidential proprietary information of Buyer, including trade secrets, specifications, drawings, instructions, notes, engineering data and analyses, compositions of matter, financial data, and other technical and business data which are supplied, disclosed or otherwise made available by or on behalf of Buyer in connection with the Contract, in each case whether or not marked or otherwise identified as confidential, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, or observed or otherwise learned ("Confidential Information"), will be deemed confidential and proprietary to, and remain the sole property of Buyer. Confidential Information shall also include any representations, compilations, analysis, and summaries of any of the foregoing types of information. Seller may not disclose Confidential Information or use Confidential Information for any purpose other than as contemplated and strictly necessary under the Contract without in each case the prior written consent of Buyer. Confidential Information will not include information that (a) is known to Seller before the date on which it is received as evidenced by Seller's written records (b) is or becomes generally available to the public other than as a result of a violation of this section by Seller; (c) was obtained by Seller on a non-confidential basis from a third party who had the apparent right to disclose it as evidenced by Seller's written records; or (d) developed by Seller independently of, and without reference to any Confidential Information as evidenced by Seller's written records. obligations contained in this section shall not prevent Seller from disclosing Confidential Information to the extent required by applicable law or a valid order issued by a court or government agency of competent jurisdiction, determined on advice of competent counsel, provided that Seller provides Buyer prompt written notice of such requirement so as to permit Buyer to seek an appropriate protective order to prevent disclosure of all or part of such Confidential Information and Seller reasonably cooperates with Buyer in obtaining such protective order, and provided further that Seller will disclose only that portion of the Confidential Information that Seller is legally required to disclose and will make reasonable efforts to obtain reliable assurances that confidential treatment will be accorded such confidential information. Seller will use the same degree of care to safeguard Confidential Information that it uses to protect its own confidential information from unauthorized access or disclosure (but not less than a reasonable degree of care). Seller shall restrict access to and limit disclosure of the Confidential Information to only those of Seller's Representatives with a need to know the information to accomplish the purpose of the Contract, provided that they have been instructed and are bound in writing not to disclose the Confidential Information or use it for any purpose other than as permitted under the Contract; and provided further that Seller shall at all times remain fully liable to Buyer for any act or omission by such persons that would constitute a breach of the Contract if taken or not taken by Seller. Upon request by Buyer, Seller will promptly (in no event later than five (5) business days) return or destroy the original and all copies, summaries or other embodiments of Confidential Information received and certify such return or destruction in writing. For the avoidance of doubt, Seller's obligations under this section shall survive any expiration or termination of the Contract.

# 18. Assignment and Subcontracting

- (a) Seller shall not assign or subcontract its duties, responsibilities or rights (including, any rights concerning the assignment of receivables) under the Contract without the prior written consent of Buyer. Unless otherwise stated in the consent, any assignment or subcontracting by either party, with or without the required consent, will not relieve Seller of its duties or obligations under the Contract or its responsibility for non-performance or default by its assignee or subcontractor. Any purported assignment in violation of the foregoing shall be null and void and of no force or effect.
- (b) Buyer shall have the right to assign the Contract or any Purchase Order, or its interest herein

or therein, without Seller's consent, to any of its affiliates or to any purchaser or successor to Buyer's business (or portion thereof relevant to the Contract or such Purchase Order).

(c) Seller will ensure that the terms of its contracts with its suppliers and subcontractors provide Buyer and the Customer with all of the rights specified in the Contract.

# 19. Force Majeure

A delay or failure by Seller to perform its obligation to provide on-time delivery of Goods or Services under the Contract will be excused, and will not constitute a default, only to the extent directly caused by one or more of the following events or occurrences beyond the reasonable control of Seller and without its fault or negligence: earthquakes, fires, floods, windstorms, explosions, riots, natural disasters, wars, actions taken by governmental authority, pandemic and epidemic officially declared by the World Health Organization ("Excusable Delay"). However, for avoidance of doubt, in no event will Seller's performance be excused by: (a) the change in cost or availability of materials, components or services based on market conditions, its supplier failure or inability to perform (unless the failure or inability is caused by an event or occurrence that would itself be an Excusable Delay); (b) contract disputes; (c) Seller's or a Seller's financial distress; (d) any labor strike or other labor disruption applicable to Seller or to any of its subcontractors or suppliers; (e) Seller's failure to comply with applicable law or to take reasonably necessary performance in anticipation of any customs, exportimport and/or government requirement for which there is public notice; or (f) lack of maintenance and, or, machine breakdown. To the extent Seller believes it is unable to perform it must give written notice of the Excusable Delay (including its anticipated duration) to Buyer promptly (in no event later than two (2) business days) after becoming aware that it has occurred or is reasonably likely to occur, followed by prompt notices in no event later than two (2) business days) of any material changes in the facts relative to its ability to perform and/or the anticipated duration of the non-performance. If Seller is unable to perform for any reason, including, an Excusable Delay, Buyer may: (x) purchase the Goods and Services from other sources and reduce its purchases from Seller accordingly without liability to Seller; or

(y) have Seller provide substitute goods and services from other available sources as it directs, with any premium payable in each case at Seller's sole cost. Without limiting Seller's other obligations under this section, in the event of any supply allocation by Seller in connection with an Excusable Delay, Seller will give preference to Buyer for all Goods and Services ordered prior to and for the duration of such event until such time as Seller is operating normally.

Within two (2) business days after written request by Buyer, Seller will provide adequate assurances that the non-performance will not exceed thirty (30) days. If Seller does not provide those assurances, or if the non-performance exceeds thirty (30) days, Buyer may terminate all or part of the Contract.

# 20. Labor Contracts

Seller will notify Buyer of the contract expiration date at least six (6) months before the expiration of a current labor contract that has not been extended or replaced. Buyer may also request a non-strike agreement letter that covers a certain period of time. Buyer may thereafter direct Seller in writing to manufacture up to thirty (30) days of additional inventory of the Goods, specifying the quantities of the Goods required and any packaging and storage requirements. Seller will comply with Buyer's written directions prior to expiration of the current labor contract and until the current labor contract has been extended or a new contract completed. Seller is responsible for carrying costs and any additional costs of manufacture.

# 21. Customs

Transferable credits or benefits associated with the Goods purchased, including trade credits, export credits, or rights to the refund of duties, taxes, or fees, belong to Buyer unless otherwise prohibited by applicable law. Seller will provide Buyer with all information and records relating to the Goods necessary for Buyer to (a) receive these benefits, credits, and rights; (b) fulfill any customs obligations, origin marking or labeling requirements, and certification or local content reporting requirements; (c) claim preferential duty treatment under applicable trade preference regimes; and (d) participate in any duty deferral or free trade zone programs of the country of import. Seller will obtain all export licenses and authorizations and pay all export taxes, duties, and fees unless otherwise stated in the Contract, in which case Seller will provide all information and records necessary to enable Buyer to obtain those export licenses or authorizations.

### 22. Insurance

At Seller's sole cost and expense, Seller must obtain and maintain, with insurance companies reasonably acceptance to Buyer, the following types of insurance coverage (a) general liability insurance with a coverage limit of at least US \$5,000,000 for each occurrence and the general aggregate; (b) all risk property perils insurance covering the full replacement value of Property; (c) worker's compensation insurance as required by applicable law; (d) employers liability with a coverage limit of at least US \$1,000,000 for each accident, disease policy limit, disease employee; (e) commercial automobile liability insurance with coverage of at least US \$5,000,000 for each occurrence and combined single limit; (f) Product Recall Insurance with coverage of at least US \$3,000,000 each and every loss and in the annual aggregate; and (g) any other insurance that is customary in the automotive industry. All such insurance coverage will name Buyer as loss payee and additional insured. Seller's policies will contain a provision by the respective insurers waiving the right of such insurers to subrogation. The waiver of subrogation shall be in favor of Buyer, its board members, officers, employees, agents, successors and assigns. Upon request, Seller will furnish to Buyer certificates of insurance showing Seller's compliance with this section and such certificates must provide that Buyer will receive not less than thirty (30) days prior written notification from the insurer of any termination or reduction in the amount or scope of coverage. The limits of liability set forth above is the required minimum coverage and will in no way be construed as a limitation of the liability of Seller under the Contract. Any coverage written on a claims made form must be maintained for three (3) years after expiration or termination of the Contract.

When Seller is located in the United Mexican States, Seller will not be obliged to purchase an employer's liability insurance policy and employee compensation. Notwithstanding this, Seller shall be obliged to register all of Seller's employees with the Mexican Social Security Institute, and to comply with all obligations related to it.

# 23. Miscellaneous

# 23.1 Advertising

Seller shall not, without first obtaining the written consent of Buyer, in any manner advertise or publish the fact that Seller has contracted to furnish Buyer the Goods or Services covered by the Contract, or use any trademarks or trade names of Buyer in Seller's advertising or promotional materials.

# 23.2 Audit Rights

Seller will maintain records as necessary to support amounts charged to Buyer under the Contract in accordance with Buyer's document retention requirements. Buyer and its Representatives may audit Seller's records of transactions and financial statements to verify Seller's compliance with the Contract. Any audit will be conducted at Buyer's expense (but will be reimbursed by Seller if the audit uncovers any errors in the amounts charged), upon prior written notice to Seller.

# 23.3 Electronic Communication

Seller will comply with the method of electronic communication specified by Buyer, including requirements for electronic funds transfer, purchase order transmission, electronic signature, and communication. Seller will also comply with any modification to Buyer's specified method of electronic communication after the date of the Contract.

# 23.4 Relationship of the Parties

Buyer and Seller are independent contractors, and nothing in the Contract makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or to create any obligation on behalf of the other party.

# 23.5 Waiver

The failure of Buyer to enforce any right or remedy provided in the Contract or by law on a particular occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.

# 23.6 Entire Agreement; Amendments

The Contract constitutes the entire agreement between the parties with respect to its subject matter, and supersedes all prior oral or written representations or agreements by the parties with respect to the subject matter of the Contract. No subsequent terms, conditions, understandings, or agreements purporting to modify the terms of the Contract will be binding unless in writing and signed by both parties. Contract (including, without limitation, these Terms) may only be amended or modified in writing signed by Buyer; provided, however, that notwithstanding the foregoing, the parties hereby acknowledge and agree that Buyer may modify these Terms from time to time by posting revisions to Buyer's website at https://exos.com/documentation-en (or any successor website thereto) prior to the date when any such modification shall become effective, and such revised Terms shall apply to all Purchase Order revisions or releases issued on or after the effective date thereof, and Seller further acknowledges and agrees it is responsible to review such Buyer's website periodically.

### 23.7 Severability

A finding that any provision of the Contract is invalid or unenforceable in any jurisdiction will not affect the validity or enforceability of any other provision of the Contract or the validity or enforceability of that provision in any other jurisdiction. In addition, if any term of the Contract is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order of rule, and the remaining provisions of this Contract shall remain in full force and effect.

#### 23.8 Interpretation

When used in these General Terms and Conditions, "including" means "including without limitation" and terms defined in the singular include the plural and vice versa. Headings are solely for the purpose of reference, are not part of the agreement of the parties, and shall not in any way affect the meaning or interpretation of the Contract.

#### 23.9 Notices

Any notice or other communication required or permitted in the Contract must be in writing and will become effective on the date of actual receipt if the date of actual receipt is a business day or on the next business day if the date of actual receipt is not a business day.

# 23.10 Third Party Beneficiaries

Seller agrees that Buyer and the Customer are intended third party beneficiaries of any contracts between Seller and its suppliers relating to the production or assembly of the Goods covered by the Contract with the right to enforce such contracts. Seller further agrees that the Customer is an intended third party beneficiary of this Contract with the right to enforce this Contract against Seller as if it were an original party hereto. Except as expressly provided herein, the parties agree that there are no third party beneficiaries of the Contract.

# 23.11 Customer Requirements

Where the Goods or Services under the Purchase Order are sold, or incorporated into goods or services that are supplied, by Buyer to a Customer whether directly or indirectly through an upper tier supplier, or any other third party customer, the Contract is subject to the Customer general terms and conditions and any other requirements of the Customer. Without limiting the foregoing, Seller shall take all necessary actions, provide all necessary information, comply with all applicable requirements, and do all other things as Buyer deems necessary or desirable and within Seller's direct or indirect control to enable Buyer to meet Buyer's obligations under the terms and conditions of any nomination letter, award, purchase order, release, supply agreement or other document or contractual obligation of any kind (collectively, "Customer Terms") directly or indirectly applicable to Buyer or the Customers from time to time in respect of Buyer's direct or indirect supply of the Goods or Services to such original equipment manufacturer or other Customer, including, without limitation, any obligations relating to: delivery, packaging and labeling, warranties, remedies, indemnification, intellectual property rights, inspections and audits, and replacement and service parts. Buyer may, from time to time, in its sole discretion, provide Seller with information regarding Customer Terms that may be applicable to Seller pursuant to this section, but, in any event, Seller shall be at all times solely responsible for ascertaining the Customer Terms that may affect Seller's obligations hereunder and hereby agrees to be

bound by such Customer Terms as if they applied directly to Seller. In the event of any conflict between applicable Customer Terms and the

Contract, Buyer retains the exclusive right in its sole discretion to have all or any such Customer Terms prevail to the extent necessary or desirable to resolve any actual or preserved conflict between such Customer Terms and the Contract.

# 23.12 Governing Law.

- (a) If the location of Buyer from which the applicable Purchase Order issued is in the United States of America or any location other than Canada, the Contract shall be interpreted and enforced in accordance with the local, domestic laws of the State of Michigan and of the United States of America, exclusive of the choice of law rules thereof. If the location of Buyer from which the applicable Purchase Order issued is in Canada, the Contract shall be interpreted and enforced in accordance with the local, domestic laws of the Province of Quebec and of Canada, exclusive of the choice of law rules thereof. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to the Contract.
- Any litigation arising from or in connection (b) with the Contract may be brought by Buyer (as determined by Buyer in its sole discretion) in any court having jurisdiction over Seller or, at Buyer's option, in the Federal District Court for the Eastern District of Michigan or, for state court, in Oakland or Wayne County Circuit Court in the State of Michigan or any other court having jurisdiction over any Buyer's locations specified in the Contract, in which event Seller irrevocably consents to such exclusive jurisdiction and service of process in accordance with applicable procedures. Any claim or proceeding by Seller against Buyer may be brought by Seller exclusively in the Federal District Court for the Eastern District of Michigan or, for state court, in Oakland or Wayne County Circuit Court in the State of Michigan, or if the location of Buyer from which the applicable Purchase Order is issued is in Canada, then the court having jurisdiction over such Buyer location. Seller irrevocably waives and agrees not to raise any objection it might now or hereafter have to any such claim or proceeding in any such court, including any objection that the place where such court is located in an inconvenient forum or that there

is any other claim or proceeding in any other place relating in whole or in part to the same subject matter.

# 23.14 Jury Trial

Buyer and Seller acknowledge that the right to trial by jury is a constitutional one, but that it may be waived. Each of Buyer and Seller, after consulting (or having the opportunity to consult) with counsel of its choice, knowingly, voluntarily and intentionally waives any right to trial by jury in any action or other legal proceeding arising out of or relating to the contract or any other document pertaining to the contract including any purchase order or release.

# 23.15. Contract Drafting

The parties hereto acknowledge and are satisfied that the foregoing be drawn up in the English language. Les parties aux présentes reconnaissent et sont satisfaits que la présente entente soit rédigée en anglais.