

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

These Standard Terms and Conditions of Purchase (the Terms) are incorporated into every Purchase Order through which the purchasing entity identified on the face of a Purchase Order (Buyer) purchases the goods and services described in these Terms or a Purchase Order (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, including but not limited to the Supplier Code of Conduct (<https://www.avancezassembly.com/supplier-portal/>) and Supplier Quality Manual (<https://www.avancezassembly.com/supplier-portal/>), 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 but not limited to 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 AND ACCEPTANCE: Seller has read and understands the Terms and agrees that Seller's written acceptance or commencement of any work or services under the Purchase Order will constitute Seller's acceptance of these Terms only. All terms and conditions proposed by Seller that are different from or in addition to the Terms are unacceptable to Buyer, are expressly rejected by Buyer, and will not become part of the Purchase Order. No action or inaction on the part of the Buyer, including acceptance of, or payment for, any Goods, is an acceptance of any terms other than the Terms. Seller accepts the Purchase Order, in its entirety and without modification, upon the first to occur of the following: (i) Seller's agreement or acknowledgment of the Purchase Order in writing; (ii) if Seller fails to object to the Purchase Order, in writing, within five (5) days of receipt of the Purchase Order; (iii) Seller taking any step in furtherance of performing its obligations under the Purchase Order, including but not limited to engineering, design, development, or manufacturing work, procuring raw materials or equipment, or beginning to manufacture the Goods. By accepting the Purchase Order, Seller also accepts the terms and conditions of purchase of Buyer's customer(s), which are incorporated by reference herein. In the event of a conflict between the Purchase Order, the Terms, and the terms and conditions of purchase of Buyer's customer(s), the provision imposing the highest standard, directly or indirectly, on the Seller in favor of Buyer or Buyer's customer(s) will control. Any modifications to the Purchase Order will be made in accordance with Paragraph 43. In addition to any other rights of Buyer, Buyer may cancel the Purchase Order at any time prior to Buyer's actual knowledge of Seller's acceptance. Seller specifically disclaims any reliance on pre-contractual representations, if any.

2. SHIPPING AND BILLING:

A. Seller agrees: (i) to properly pack, mark and ship Goods in accordance with the requirements of Buyer, the involved carriers, and the laws and regulations of the country of manufacture, the country of destination and any country in which the Goods will be transported, including, without limitation, laws and regulations governing the handling and transportation of dangerous Goods or hazardous materials; (ii) to route shipments in accordance with Buyer's instructions; (iii) to make no charge for handling, packaging, storage or transportation of Goods, unless otherwise stated as an item in the Purchase Order; (iv) to provide with each shipment packing slips with Buyer's Purchase Order and date of shipment marked thereon; (v) to properly mark each package with a label/tag according to Buyer's instructions and the customs regulations of the country of import; (vi) to promptly forward the original bill of lading or other shipping receipt for each shipment in accordance with Buyer's instructions. Seller will be liable for any damage due to faulty packaging. Seller will include on bills of lading or other shipping receipts, correct classification identification of the Goods shipped in accordance with Buyer's instructions and carrier's requirements.

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

B. The marks on each package and identification of the Goods on packing slips, bills of lading and invoices (when required) will be sufficient to enable Buyer to easily identify the Goods purchased. Seller further agrees: (i) to accept payment based upon Buyer's evaluated receipt record/self-billed invoice, unless an invoice is requested by Buyer; and (ii) to accept payment by electronic funds transfer. The payment date will be as specified on the first page of the Purchase Order, following Buyer's receipt of the Goods as determined by Buyer unless stated otherwise in the Purchase Order (or except as may be otherwise agreed upon by Buyer and Seller in connection with a program providing for electronic funds transfer). Title to the Goods will transfer to Buyer free and clear of any liens, claims, encumbrances, interests or other rights at the moment the risk of loss transfers from Seller to Buyer with respect to such Goods in accordance with the Incoterm or alternative delivery term set forth in the Purchase Order. Buyer may withhold payment pending receipt of evidence, in such form and detail as Buyer may direct, of the absence of any liens, encumbrances and claims on the Goods under this Purchase Order.

3. FIRM DELIVERY DATES AND QUANTITIES:

A. 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," "blanket," or similar, the Purchase Order is an exclusive 100% requirements contract. Buyer must order exclusively from Seller all of the Goods that Buyer may need during the Term of the Purchase Order. Seller must deliver to Buyer all of the Goods so 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 Purchase Order or Release issued by Buyer. 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 Purchase Orders or Releases.

B. 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. Seller must deliver to Buyer all of the Goods so 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 Purchase Order or Release issued by Buyer. 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 Purchase Orders or Releases.

C. 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. Subject to Buyer's termination rights set forth in the Terms, all firm quantities and delivery dates are binding on both Buyer and Seller. 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.

D. 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 4 weeks (for finished Goods) and the first 6 weeks (for raw materials only). 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.

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

E. Buyer will not be required to make payment for Goods delivered in advance of Buyer's firm delivery schedule, and Buyer may either: (i) return the Goods at Seller's expense for proper delivery; or (ii) 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.

F. Unless otherwise stated on the Purchase Order, delivery must be made FOB Destination (Buyer's "Ship to" facility designated on the Purchase Order) (Incoterms 2020) to Buyer.

G. Seller must notify Buyer immediately in writing of any delays it anticipates regarding delivery of the Goods. If it becomes apparent to Buyer 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 but not limited to 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.

H. Buyer may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which will entitle Seller to a modification of the price for Goods or services covered by the Purchase Order. Where quantities and/or delivery schedules are not specified, Seller will deliver Goods in such quantities and times as Buyer may direct. In addition, Seller agrees to comply with all delivery and logistics requirements and procedures specified by Buyer, as revised from time to time.

4. DURATION:

A. Subject to Buyer's termination rights, unless a specific term is otherwise set forth on the Purchase Order or other written agreement between Buyer and Seller, the duration of the Purchase Order is the estimated length of the applicable customer vehicle program production life (including extensions and model refreshes as determined by the OEM), including the service parts obligations that follow ("Term"). Both Buyer and Seller acknowledge that the Term is one of a definite duration that is commonly used in the automotive industry, and that the Term may be terminated or extended at any time by Buyer or Buyer's customers. Any termination or extension of the Term will serve to modify the time period of the Purchase Order, related to that program, to end the Purchase Order on the expiration of the Term. If the durational term states "12/31/99, "9999," or anything similar, that is only because it was required by the Buyer's purchasing system, and the duration will be nonetheless the life of the program.

B. Upon the cancellation, 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.

5. PREMIUM SHIPMENTS: If Seller's acts or omissions 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 ship the Goods as expeditiously as possible at Seller's sole expense.

6. CHANGES:

A. By written notice to Seller, Buyer may, from time to time, direct changes, or direct Seller to make changes, to drawings and specifications of the Goods or to otherwise change the scope of the work covered by this Purchase Order, including, without limitation, work with respect to such matters as inspection, testing or quality control, the method of packing and shipping, the place of delivery, shipping

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

instructions, and quantity or delivery schedules. If such changes affect the cost or time required for performance, Seller may make a written claim for adjustment with appropriate supporting documentation within fourteen (14) days of receipt of notification of change. Buyer and Seller will promptly discuss Seller's written claim and the parties may make an equitable adjustment to the price and modify the Purchase Order upon mutual agreement. Notwithstanding any such discussions, Seller will promptly implement such changes as directed by Buyer without delay. In the event that Buyer and Seller are unable to reach agreement on any pricing adjustments to be made in connection with such changes, any difference in price or time for performance resulting from such changes will be equitably adjusted by Buyer based on a fair cost assessment after receipt of documentation in such form and detail as Buyer may direct. Seller will accept any amendments issued by Buyer implementing such changes. Seller may, from time to time, propose changes to drawings and specifications of the Goods or to the scope of the work covered by this Purchase Order. If Buyer agrees, in its discretion, to implement such changes, the agreement between the parties with respect to such changes will be made in accordance with Section 43 below.

B. Seller will not relocate the production, manufacture or assembly of the Goods from the facilities approved by Buyer, or change the location from which the Goods are shipped, without first following Buyer's relocation requirements and obtaining Buyer's advanced written consent.

- 7. SUPPLIER QUALITY AND DEVELOPMENT:** Seller agrees to fully comply with Buyer's supplier quality and development program(s), including, by way of example, but not limited to, the Buyer Supplier Quality Manual, Quality System Requirements ISO-9001:2015, IATF 16949, or their respective revisions. In addition, Seller agrees to comply with all quality requirements and procedures specified by Buyer, as may be updated, revised, and amended from time to time, and it is Seller's obligation to comply with the current quality requirements at all times. At the time of the acceptance of the Purchase Order, Seller acknowledges receipt and acceptance of the conditions of such programs.

8. NONCONFORMING GOODS:

A. Seller acknowledges that Buyer has no obligation to perform incoming inspections of the Goods, and waives any rights to require Buyer to conduct such inspections. Any such inspection performed by Seller will be without obligation to Buyer. 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.

B. To the extent Buyer rejects Goods as Nonconforming, the quantities under this Purchase Order will automatically be reduced unless Buyer otherwise notifies Seller. With the exception of consigned/bailed and/or indirect (Goods not to be incorporated into Buyer's products) Goods, Seller will not replace quantities so reduced without a new Purchase Order or schedule from Buyer.

C. Nonconforming Goods will be held by Buyer in accordance with Seller's instructions at Seller's risk. Seller's failure to provide written instructions within 10 days, or such shorter period as may be commercially reasonable under the circumstances, after notice of nonconformity will entitle Buyer, at Buyer's option, to charge Seller for storage and handling or to dispose of the Goods without liability to Seller. Payment for Nonconforming Goods will not constitute an acceptance of them, limit or impair Buyer's right to assert any legal or equitable remedy available under applicable law, or relieve Seller's responsibility for latent defects. Any Goods (i) determined to be Nonconforming by Seller (or its suppliers); (ii) rejected by Buyer as Nonconforming; or (ii) that become obsolete or surplus, will be rendered unusable prior to salvage or disposal by Seller (or its suppliers). Seller will ensure that

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

Nonconforming, rejected, obsolete or surplus Goods are not sold as service or replacement parts to third parties. Seller will institute appropriate controls with its suppliers to ensure compliance with this Section.

D. “Nonconforming Goods” are Goods that fail to conform with any requirement, obligation, or warranty in the Purchase Order, determined at Buyer’s sole discretion, including but not limited to those in Sections 3 and 13.

- 9. SPECIFIC PERFORMANCE:** Seller acknowledges and agrees that money damages will not be a sufficient remedy for any actual or threatened breach of this Purchase Order by Seller and that, in addition to all other rights and remedies that Buyer may have, Buyer will be entitled to specific performance and temporary, preliminary and permanent injunctive relief in connection with any action to enforce this contract, without any requirement of a bond or other security to be provided by Buyer.

10. FORCE MAJEURE:

A. Any delay or failure of either party to perform its obligations under this 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 covered by this Purchase Order, directly as the result of an event or occurrence beyond the reasonable control of such party, without such party’s fault or negligence (a “force majeure event”), including, if applicable, actions by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, epidemics, pandemics, wars and sabotage; provided that written notice of such 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). In no event, however, will Seller’s inability to perform as a result of any of the following constitute a force majeure event: (i) Seller’s insolvency or financial condition; (ii) change in cost or availability of raw materials or components based on market conditions; (iii) change in cost or availability of a method of transportation; (iv) changes in, or implementation of new government regulations, taxes or incentives; failure to obtain permits, licenses or other government approvals; or (v) labor disruptions, strikes, lockouts and slowdowns affecting a Seller’s facility or a Seller’s sub-supplier’s facility.

B. During any force majeure event affecting Seller’s performance, Buyer may, at its option, purchase Goods or services from other sources and reduce its delivery schedules to Seller by such quantities, without liability to Seller, or require Seller to provide Goods or services from other sources in quantities and at times requested by Buyer at the price set forth in this Purchase Order.

C. 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 this Purchase Order. If requested by Buyer in writing, Seller will, within 5 days after Buyer’s request, provide adequate assurances that the delay in Seller’s performance resulting from such event will not exceed 30 days. If the delay lasts more than 30 days or Seller does not provide such adequate assurances, Buyer may immediately terminate this Purchase Order without liability to Seller.

- 11. LABOR DISPUTE:** Seller, at its expense, will take all necessary action to ensure the uninterrupted supply of Goods to Buyer for a period of at least the first 30 days during any foreseeable or anticipated labor disruption or resulting from the expiration of Seller’s labor contract(s). If requested by Buyer, Seller will, within 10 days of such request, provide adequate assurances that the delay will not exceed 30 days. If the delay lasts more than 30 days or Seller does not provide adequate assurance that the delay will cease within 30 days, Buyer may immediately terminate this Purchase Order without liability. This provision will not constitute a waiver of and is without prejudice to, any and all of Buyer’s other rights and remedies under this Purchase Order or applicable law, each of which are hereby reserved.

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

12. SELLER'S ASSURANCE OF PERFORMANCE: In the event that Buyer has reasonable grounds for insecurity with respect to Seller's continued performance under this Purchase Order, Buyer may, in writing, demand adequate assurance of such performance from Seller. After receipt of such demand, Seller's failure, within a reasonable period of time under the circumstances (not to exceed 5 days), to provide assurances adequate under the circumstances will be deemed a breach of this Purchase Order by Seller.

13. WARRANTY AND WARRANTY CLAIMS:

A. Seller warrants and guarantees that the Goods covered by this Purchase Order will: (i) conform to all specifications, drawings, samples, descriptions and quality standards furnished by Buyer, or furnished by Seller and approved by Buyer in writing; (ii) be of merchantable quality; and (iii) be free from any defect in design, workmanship, production and material. In addition, Seller acknowledges that Seller knows of Buyer's intended use of the Goods covered by this Purchase Order and warrants and guarantees that such Goods have been selected, designed, manufactured, or assembled by Seller based upon Buyer's stated use and will be fit and sufficient for the particular purposes intended by Buyer. These warranties are in addition to all other warranties provided by law.

B. Unless otherwise set forth in this Purchase Order, the duration of the warranty provided by Seller to Buyer for the Goods will begin on the date of receipt of the Goods by Buyer and end on the later of (i) the date of expiration of any warranty period provided under applicable law for the Goods, (ii) expiration of any warranty applicable to the Goods provided by Buyer to Buyer's end customer for the vehicle into which the Goods are incorporated, or (iii) the expiration of any specific warranty period or performance standard provided in any document incorporated by reference into the Purchase Order, including, without limitation, in Buyer's specifications or quality standards.

C. If Seller delivers Nonconforming Goods, Buyer, in its sole discretion, may: (i) request that Seller, at Seller's own risk and expense, rework the Nonconforming Goods or replace the Nonconforming Goods with Goods that conform to the Purchase Order; or (ii) if the Nonconforming Goods are already in the production process of Buyer, its customer, or the ultimate OEM end customer, at Seller's cost and expense, have the Nonconforming Goods replaced or reworked by Buyer, Buyer's customer, or a third party. If the Nonconforming Goods have already been installed in a product and delivered to Buyer's customer and Buyer does not receive the Nonconforming 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 Nonconforming Goods. If requested by Buyer, Seller will enter into a separate agreement for the administration and processing of warranty chargebacks for Nonconforming Goods. Seller acknowledges, and agrees to be subject to, Buyer's supplier cost recovery rights pursuant to ISO 9000 or its replacement and Buyer's procedures in effect from time to time.

D. 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 Nonconforming Goods including but not limited to: (i) inspecting, sorting, administrative work, testing, transporting, examining, handling, dismantling, repairing or replacing Nonconforming Goods or nonconforming deliveries; (ii) resulting from production interruptions; (iii) in conducting recall campaigns or other corrective service actions; (iv) resulting from personal injury, including death, or property damage; or (v) resulting from any litigation or court proceedings that arose because of the Nonconforming Goods.

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

E. Nothing in this Section 13 waives or alters Buyer's rights with respect to any claims for damages or costs according to any applicable statutes or laws, including, without limitation, any claims under product-liability laws, or any indemnity claims by Buyer against Seller.

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 associated with the Recall, including but not limited to: (i) actual attorneys' fees and costs in connection with the Recall to the extent that the Recall results from the delivery of Nonconforming Goods; (ii) actual litigation costs, attorney fees and expenses in connection with the Recall to the extent the Recall results from the delivery of Nonconforming Goods; and (iii) any other breach of the Purchase Order by Seller.

15. INDEMNIFICATION AND LIABILITY:

A. Seller is liable to Buyer for any breach of the Purchase Order. Seller's liability includes Buyer's direct, indirect, incidental, and consequential damages, and any other damages or other remedies available under law or equity. Seller will reimburse Buyer for all litigation costs, attorneys' fees, other professional fees, and court costs incurred by Buyer in connection with any breach of the Purchase Order by Seller and/or for any legal action taken by Buyer to enforce its rights under the Purchase Order or these Terms.

B. Seller must indemnify, defend and hold Buyer harmless from and against any and all losses that are caused by Seller's breach of the Purchase Order, 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. This applies equally to work performed by Seller or its subcontractors on Buyer's premises or utilizing the property of Buyer, whether on or off Buyer's premises. Seller need not pay for any loss that is caused solely by Buyer's negligence. As used in this Section: (i) 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; (ii) 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; (iii) Buyer includes its affiliated companies and Buyer's and its affiliated companies' directors, officers, employees, invitees, agents, and customers; (iv) Seller includes Seller's employees, subcontractors, and agents.

C. 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 Section 15(A). Those obligations are in addition to Seller's warranty obligations.

D. 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 is solely the result of Buyer's negligence. Further, if Buyer's notice to Seller of a claim for a loss is delayed because Buyer itself was not notified of such loss within a timely manner, Seller is nonetheless liable to defend the claim and indemnify Buyer to the fullest extent under this Section 15

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

E. 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 but not limited to attorneys' and other professional fees.

F. If any third party asserts any claim against Buyer under liability without fault that arises from the delivery of Goods 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.

16. SUBCONTRACTING: Seller will not subcontract any of its obligations under this Purchase Order without the prior written consent of Buyer. Any such consent of Buyer will not release Seller from, or limit any of Seller's obligations under, this Purchase Order. Seller warrants and guarantees that any such subcontractor's performance will satisfy all requirements applicable to Seller under this Purchase Order.

17. DIRECTED SUPPLIER: If Buyer's customer directs Buyer to purchase the Goods from Seller for use in Buyer's customer's automotive program(s), this Purchase Order will also be governed by the terms and conditions of any directed buy agreement, RASI or similar document, and/or three party agreement between Seller, Buyer, and Buyer's customer memorializing the directed supplier relationship. To the extent there is a conflict between the documents memorializing the directed supplier relationship and this Purchase Order, the terms of the documents memorializing the directed supplier relationship will govern. Additionally, Buyer's customer retains the commercial responsibility for any directed Goods, including but not limited to sourcing, issuing tooling orders, changes in price, engineering change price negotiation, annual productivity negotiations, etc. All commercial matters pertaining to pricing, tooling or obsolescence costs should be directed between and among Seller and Buyer's customer.

18. INGREDIENTS DISCLOSURE AND SPECIAL WARNINGS AND INSTRUCTIONS:

A. Seller will promptly furnish to Buyer in such form and detail as Buyer may direct: (i) a list of all ingredients in the Goods; (ii) the amount of all ingredients; and (iii) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of the Goods, Seller agrees to furnish to Buyer sufficient warning and notice in writing (including appropriate labels on Goods, containers and packing) of any dangerous Goods or hazardous material that is an ingredient or a part of any shipment of Goods, together with such special handling instructions as may be necessary to advise carriers, Buyer, Buyer's customer(s) and their respective employees of how to exercise that measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the Goods, containers and packing material shipped to Buyer.

B. All new refrigeration equipment supplied by Seller to Buyer must not use Class I or Class II refrigerants (Freon). This prohibition includes, but is not limited to, CFC-11, 12, 22, 113, 114, 115, Halon-1211, 1301, and 2402. All paints supplied by Seller to Buyer must contain less than 3.5 lbs./gal. VOC content. Upon Buyer's request, Seller will certify to Buyer in writing the origin of any ingredients or materials in the Goods. Seller will promptly provide, in writing, any information regarding the Goods 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", similar materials or ingredients, or other laws, if any.

19. 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

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

and permanent injunctive relief should be granted in Buyer's favor, compelling Seller to resume and continue deliveries as required by the Purchase Order.

20. TERMINATION:

A. TERMINATION FOR CAUSE. Buyer may terminate all or any part of this Purchase Order, without liability to Seller, if Seller (i) breaches any term of this Purchase Order (including, without limitation, Seller's warranties); (ii) states its intention not to perform or otherwise rejects its obligations under this Purchase Order; or (iii) fails to make progress in performance so as to endanger timely and proper completion of services or delivery of Goods under this Purchase order; provided, however, that if any failure or breach under the foregoing (i) through (iii) is curable, Buyer will provide Seller an opportunity to cure within a commercially reasonable period of time under the circumstances, in no case exceeding 5 days after Buyer provides notice of the failure or breach to Seller. t.

B. TERMINATION FOR CONVENIENCE. Buyer may, at its option, terminate all or any part of this Purchase Order before the expiration date set forth in this Purchase Order, at any time and for any reason.

C. TERMINATION DUE TO CUSTOMER TERMINATION. If Buyer's customer terminates all or any part of its order with Buyer for any reason, Buyer may immediately 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.

D. 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.

E. TERMINATION IN THE EVENT OF 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.

F. Seller may not terminate the Purchase Order unless (i) Buyer materially breaches; (ii) Seller provides written notice of the material breach; and (iii) Buyer fails to cure the breach within sixty (60) days. Only in such circumstances, may Seller cancel the Purchase Order, and only after providing Buyer with required transition support per Section 4(B).

21. TERMINATION CLAIMS AND OBLIGATIONS:

A. Once it receives notice of termination, Seller, unless otherwise directed in writing by Buyer, must (i) immediately terminate all work under the Purchase Order or Release; (ii) 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; (iii) 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; (iv) take actions reasonably necessary to protect all property in Seller's possession in which Buyer has an interest; and (v) at Buyer's request, cooperate

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

with Buyer in resourcing the Goods covered by the Purchase Order to an alternative Seller designated by Buyer.

B. If the termination is for convenience or for change in control as defined in Section 16(B), Buyer will pay to Seller the following amounts without duplication: (i) 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; (ii) Seller's reasonable actual cost of the usable and merchantable work in process and raw materials and components within firm Release amounts; (iii) 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 (iv) Seller's reasonable actual costs of carrying out its obligations to Buyer under this section.

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

D. Except as stated in this Section 21, 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, without limitation, 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, without limitation, 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.

E. 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 21(B)). Buyer may audit Seller's records, books, facilities, work, material, inventories, and other items relating to Seller's request for payment before or after payment to verify amounts requested in Seller's termination claim. Any amount otherwise due to Seller pursuant to Sections 21(B) and 21(C) will be reduced by any amount owed by Seller to Buyer under this Purchase Order or otherwise. Any payment under this Section will not be deemed a waiver of any of Buyer's other rights arising under this Purchase Order or applicable law.

22. INTELLECTUAL PROPERTY:

A. INTELLECTUAL PROPERTY RIGHTS.

(i) Applicability

This Section will apply where the Parties have not entered into a separate written agreement signed by their respective authorized representatives prior to or contemporaneous with the effective date of the Purchase Order with respect to the Parties' Intellectual Property Rights (defined below) that expressly prevails over these Terms.

(ii) Definitions

"Intellectual Property Rights" means all patents, patented articles, patent applications, designs, industrial designs, brands, trademarks, trade names, trade dress, slogans, logos, and other similar designations of

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

source, sponsorship, association or origin, copyrights, software, source code, database rights, moral rights, inventions whether or not capable of protection by patent or registration, techniques, technical data, trade secrets, know-how, and any other proprietary right, whether registered or unregistered, including applications and registrations thereof, all related and continuing rights, and all similar or equivalent forms of protection anywhere in the world.

“Background Intellectual Property Rights” means all Intellectual Property Rights of either Buyer or Seller, as applicable, relating to the Goods contracted (A) existing prior to the effective date of this Purchase Order or prior to the date Buyer and Seller began any technical cooperation relating to the Goods, whichever is earlier, or (B) acquired or developed after these dates but in a strictly independent manner and entirely outside of any work conducted under this Purchase Order

“Foreground Intellectual Property Rights” means all Intellectual Property Rights, except Background Intellectual Property Rights, (A) that are developed in whole or in part by Buyer and/or Seller in connection with this Purchase Order or (B) relating to the Goods.

(iii) Foreground Intellectual Property Rights

Seller hereby assigns and agrees to assign to Buyer and causes its affiliates and their respective employees, agents or subcontractors (“Personnel”) to assign and agree to assign to Buyer all Foreground Intellectual Property Rights including, but not limited to, rights to make, have made, use, reproduce, modify, improve, prepare derivative works of, distribute, display, perform, offer to sell, sell, and import, without limitation, all concepts, documents, reports, ideas, designs, drafts, models, patterns, packaging, samples and any other results produced in connection with Seller’s performance of these Terms. Buyer and Seller agree to enter into a written assignment or license agreement if required under local laws and regulations.

(iv) Background Intellectual Property Rights

Buyer and Seller will each retain ownership of their respective Background Intellectual Property Rights. Seller hereby grants to Buyer and its customers, and causes its affiliates and Personnel to grant to Buyer and customers, an irrevocable, worldwide, nonexclusive, royalty free, fully paid-up license, with right to sublicense to Buyer’s affiliates, to all Background Intellectual Property Rights to make, have made, use, reproduce, modify, improve, prepare derivative works of, distribute, display, perform, offer to sell, sell and import the Goods that are the subject of this Purchase Order (the “Limited License”), provided that Buyer or its affiliates will only use this Limited License for the sole purpose of fulfilling Buyer’s requirements to its customers or in furtherance of Buyer’s responsibilities under these Terms or a Purchase Order or any contract that relates to the Goods furnished under these Terms or a Purchase Order. The Limited License does not permit Buyer to use Seller’s Background Intellectual Property Rights on a stand-alone basis and does not grant Buyer the right to separately exploit Seller’s Background Intellectual Property Rights. Buyer and Seller agree to enter into a written license agreement if required under local laws and regulations.

(v) Copyrights

To the extent that this Purchase Order is issued for the creation of copyrightable works, the works will be considered “works made for hire” for Buyer except to the extent that the works do not qualify as “works made for hire” for Buyer in which case Seller hereby assigns and agrees to assign to Buyer all right, title and interest in all copyrights and if lawfully permitted waives all moral rights therein.

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

(vi) Right to Repair

For the avoidance of doubt, Buyer, its successors, its affiliates, its dealers, its customers, and its subcontractors have the sublicensable right to repair, reconstruct, remanufacture, re-flash, or rebuild the specific Goods delivered under this Purchase Order without payment of any royalty to Seller.

(vii) Miscellaneous

Goods manufactured based on Buyer's drawings, designs, and/or specifications as well as any software code or models provided by Buyer may not be used for Seller's own use or sold to third parties without Buyer's express written authorization. All of the foregoing will be deemed Buyer's Property (as defined in Section 27)

Nothing in these Terms is an admission by Buyer of the validity of any Intellectual Property Rights claimed by Seller, including an admission that any license is required by Buyer to manufacture the Goods or continue the services under the Purchase Order. Seller will claim and acquire all rights and waivers of Seller's Personnel required to enable Seller to grant Buyer the rights and licenses in these Terms. Seller assumes full and sole responsibility for compensating Seller's Personnel for such rights and waivers, including the remuneration of employees.

Seller, on behalf of itself and Buyer, its successors, its affiliates, its dealers, and its customers will comply with all obligations with respect to software that forms any part of the Goods contracted, including obligations under any licenses.

(viii) Free and Open Source Software (FOSS)

Free and Open Source Software has the meaning defined on: <https://www.gnu.org/philosophy/free-sw.en.html> and <https://opensource.org/osd>. Seller is not allowed to include any FOSS in the Goods (including in the Background Intellectual Property Rights provided in these Terms) except with Buyer's express written agreement. In the event that Buyer accepts the use of any FOSS, Seller shall comply with the terms and conditions of "FOSS" set forth in the Purchase Order.

(ix) Logic Keys

Seller shall not include in the Goods, any security certificate "logic keys" which were not agreed to by Buyer in writing, or any items likely to prevent their full use. In the case of logic keys or any other items, Seller will send to Buyer, as and when they are produced, any logic keys or other items necessary for using the Goods in full.

B. INTELLECTUAL PROPERTY INDEMNIFICATION.

- (i) Seller warrants that the use of the Goods as intended by Buyer does not and will not infringe any domestic or foreign Intellectual Property Rights of any third party.
- (ii) Seller will investigate, defend, hold harmless and indemnify Buyer, its successors, its affiliates, its dealers, and its customers against any actual or alleged claims of infringement 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 attorneys' 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 or services

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

(collectively “IP claims”). Seller expressly waives any claim against Buyer, its successors, or its affiliates that any such IP Claims arose out of compliance with Buyer’s, its successors’, its affiliates’, its dealers’, or customers’ specification or direction.

- (iii) Where the use of the Goods by Buyer requires Intellectual Property Rights of Seller, Seller grants Buyer and its customers free of charge the world-wide, irrevocable right to use, sell, repair, or copy the Goods, either directly or through third parties.

C. SOFTWARE, SAAS GOODS, AND RIGHTS OF USE.

- (i) If software or Software as a Service (SaaS) Goods are included as a standalone or embedded in the Goods subject to a Purchase Order, the right of use under Section 22 applies and is freely transferable. Seller must provide Buyer with the required software or SaaS. Further payment for multiple use is explicitly excluded. Seller warrants that the software and SaaS Goods are free from any virus or similar defect. Seller warrants that the SaaS Goods will work according to the documentation. The SaaS Goods will include all support, updates, and enhancements that are available from Seller in accordance with the support services specified on the Purchase Order. If there are no support services specified, Seller will provide to Buyer support services, including updates and enhancements, which it makes generally available. In addition, as part of the support program, Seller will provide Buyer with on-line end user materials, FAQ’s, techniques, and general product usage information.
- (ii) 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 all Intellectual Property Rights, are the exclusive property of Buyer, and Seller hereby assigns and agrees to assign to Buyer and causes its affiliates and their respective Personnel to assign and agree to assign to Buyer all Intellectual Property Rights in such development work .

23. TECHNICAL INFORMATION DISCLOSED TO BUYER: Seller agrees not to assert any claim (other than a claim for patent infringement) with respect to any technical information that Seller will have disclosed or may hereafter disclose to Buyer or its affiliates in connection with the Goods covered by these Terms. Any technical or other information provided by Seller to Buyer or its affiliates will not be subject to confidentiality or nondisclosure obligations unless the parties have entered into a separate written confidentiality and nondisclosure agreement signed by their respective authorized representatives with respect to such proposed confidential information.

24. INSURANCE: Seller will maintain insurance coverage with carriers acceptable to Buyer and in amounts not less than the following, or such equivalent amounts in local currency: (a) Workers’ Compensation - statutory limits for the state or states in which this Purchase Order is to be performed (or evidence of authority to self-insure); (b) Employers’ Liability - \$1,000,000 bodily injury by accident/each accident, \$1,000,000 bodily injury by disease/policy limit, and \$1,000,000 bodily injury by disease each employee; (c) Commercial General Liability including products/completed operations and blanket contractual liability - \$2,000,000 general aggregate limit, \$1,000,000 products/completed operations aggregate limit, \$1,000,000 personal and advertising injury limit, and \$1,000,000 each occurrence limit; (d) Commercial Automobile Liability including owned, non-owned and hired vehicles - \$2,000,000 each accident for combined bodily injury and property damage liability. Seller’s insurance is primary and non-contributory over any other existing insurance and limited to liability arising out of the operations of the named insured and where required by written contract. These insurance requirements may be fulfilled by either primary policy limits or by umbrella liability policies. Seller will furnish to Buyer a certificate of insurance setting forth the amount(s) of coverage and limits, policy number(s) and dates of expiration for insurance

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

maintained by Seller within ten (10) days of Buyer's request. This certificate of insurance will provide that Buyer will receive thirty (30) days prior written notice from the insurer of any termination or reduction in the amount or scope of coverage(s) and also name Buyer as an additional insured. Seller's purchase of appropriate insurance or the furnishing of certificates of insurance will not release Seller of its obligations or liabilities under this Purchase Order. In the event of Seller's breach of this provision, Buyer will have the right to cancel the undelivered portion of any Goods covered by this Purchase Order and will not be required to make further payment except for the conforming Goods delivered or services rendered prior to the cancellation. Seller's furnishing of certificates of insurance or purchase of insurance will not release Seller of any other obligations or liabilities under this Purchase Order.

25. SELLER'S PROPERTY: Unless otherwise agreed to by Buyer, Seller at its expense will furnish, keep in good condition, and replace when necessary all machinery, equipment, tools, jigs, dies, gauges, fixtures, molds, and patterns and other items ("Seller's Property") necessary for the production of the Goods covered by this Purchase Order. The cost of changes to Seller's Property necessary to make design and specification changes authorized by Buyer will be paid for by Buyer. Seller will insure Seller's Property with full fire and extended coverage insurance for its replacement value. Seller grants Buyer an irrevocable option to take possession of and title to Seller's Property that is special for the production of the Goods upon payment to Seller of its net book value less any amounts that Buyer has previously paid to Seller or amortized via the purchase price of the Goods. Seller will provide Buyer with any technical information required by Buyer in order to install, assemble, or use the Seller's Property. Technical information includes: design, component, and installation drawings; technical documentation, test logs and results, and data; and any other information relating to Goods and Seller's Property. 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.

26. BUYER'S PROPERTY:

A. All supplies, materials, prototype and production tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, related software and other items (together with any accessions, appurtenances, modifications, repairs, refurbishments and replacements thereof) furnished by Buyer, or Buyer's customer, or Buyer's ultimate OEM end customer, either directly or indirectly, to Seller to perform this Purchase Order, or for which Seller has been paid (other than through piece price amortization) by Buyer ("Buyer's Property"), will be and remain the property of Buyer, and all right, title and interest in Buyer's Property will remain with Buyer, subject only to the limited right of possession granted to Seller under this Section. Buyer will, at any time, have the right to immediate possession of Buyer's Property, on Buyer's demand. If title to any Buyer's Property has not otherwise passed to Buyer, title will pass to Buyer immediately upon completion of Buyer's production part approval process (PPAP) for such property or the date Buyer first makes any payment to Seller relating to such property, whichever comes first. Seller will bear all risk of loss of and damage to Buyer's Property. Buyer's Property will at all times be properly housed and maintained by Seller, at its expense, will not be used by Seller for any purpose other than the performance of this Purchase Order; will be deemed to be personal property; will be conspicuously marked by Seller as the property of Buyer; will not be commingled with the property of Seller or with that of a third party; and will not be moved from Seller's premises without Buyer's prior written approval. Buyer and its designees will have the right to enter Seller's premises at all reasonable times to inspect Buyer's Property and Seller's records with respect thereto.

B. Upon the request of Buyer, Buyer's Property will be immediately released to Buyer or delivered to Buyer by Seller, either (i) FCA transport equipment at Seller's plant (Incoterms 2020), properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport such

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

property, 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. In the event that such immediate release does not occur, on twenty-four (24) hours prior notice from Buyer to Seller, Buyer will be given access by Seller to Buyer's Property and allow Buyer to take possession of same. To the fullest extent permitted by law, Seller waives any liens, claims, encumbrances, interests or other rights that Seller might otherwise have or assert on or with respect to any of Buyer's 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 Buyer's 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 Buyer's Property, to use such Intellectual Property Rights.

C. If Buyer's Property is in the possession of any third party, including any sub-supplier or service provider such as a repair shop, Seller's obligation to cooperate with Buyer's removal of Buyer's Property or to surrender Buyer's Property under this Section 27 includes an obligation to secure Buyer's Property's release by the third party. Seller's obligation to secure Buyer's 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 Buyer's Property in Buyer's possession, including the payment of any amount.

27. AUDIT RIGHTS; INSPECTION OF SELLER'S PREMISES: Seller grants Buyer access to Seller's premises and books and records solely for the purpose of auditing Seller's compliance with the terms of this Purchase Order (including, without limitation, charges under this Purchase Order) or inspecting or conducting an inventory of finished Goods, work-in-process, raw materials, any of Buyer's Property and all work or other items to be provided pursuant to this Purchase Order located at Seller's premises. Seller will cooperate with Buyer so as to facilitate Buyer's audit, including, without limitation, by segregating and promptly producing such records as Buyer may reasonably request, and otherwise making records and other materials accessible to Buyer. Seller will preserve all records pertinent to this Purchase Order, and Seller's performance under this Purchase Order, for a period of not less than one year after Buyer's final payment to Seller under this Purchase Order or longer if required by law or Buyer's customer. 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 this Purchase Order or prejudice any rights or remedies available to Buyer.

28. SERVICE AND REPLACEMENT PARTS: Seller will sell to Buyer the Goods necessary for it to fulfill its current model service and replacement parts requirements at the price(s) set forth in this Purchase Order, adjusted only for differences in packaging and logistics costs, all as approved by Buyer. If the Goods are systems or modules, Seller will sell the components or parts that comprise the system or module at price(s) that will not, in the aggregate, exceed the price of the system or module less assembly costs. During the 15 year period after Buyer completes current model purchases, Seller will sell Goods to Buyer to fulfill Buyer's past model service and replacement parts requirements. Unless otherwise agreed to by Buyer, the price(s) during the first 5 years of this period will be those in effect at the conclusion of current model purchases. For the remainder of this period, the price(s) for Goods will be as agreed to by the parties. When requested by Buyer, Seller will make service literature and other materials available at no additional charge to support Buyer's service part sales activities.

29. ETHICAL CONDUCT: Seller and Seller's employees will comply with Buyer's Supplier Code of Conduct. Compliance with Buyer's Supplier Code of Conduct is a mandatory component of Buyer's purchase contracts worldwide and applies to Seller's subcontractors.

30. CUSTOMS COMPLIANCE; EXPORT CONTROLS:

A. CUSTOMS COMPLIANCE: For each shipment, Seller will comply with all federal, state, local and foreign laws, and all the export and import customs regulations as necessary for Buyer to fulfill its customs related obligations, trade program participation, origin marking or labeling requirements, local content origin requirements, preferential trade calculations and reporting requirements, invoicing and documentation requirements of the destination country. Credits or benefits resulting or arising from this Purchase Order, including trade credits, export credits, or the refund of duties, taxes or fees, will belong to Buyer. Seller will provide all information necessary (including written documentation and electronic transaction records) to per Buyer to receive such benefits or credits.

B. CUSTOMS DOCUMENTATION: Commercial and pro-forma invoices used in the international shipment of Goods will conform to the requirements of the originating and destination countries. Seller is responsible for all information appearing on commercial and noncommercial invoices for shipments crossing international borders. It will be accurate and complete to enable Buyer or Buyer's agent to appropriately declare and correctly make clearance/entry in the country of destination. The value declared in the commercial invoice used for Customs purposes must be accurate and not less than fair value under the anti-dumping laws of the countries to which the Goods are exported. The commercial invoice must indicate an invoice number, Advanced Shipping Notification number (when issued), blanket purchase order number, and standard purchase order number that matches payment information requirements. Seller is responsible to include a product description sufficient enough to enable Buyer the ability to accurately classify the product within the Harmonized Tariff Schedule of the country of destination requirements. The country of origin of the Goods is to be accurately reported on the commercial and noncommercial invoices and supported by appropriate Origin Certificates. Seller will undertake such arrangements as are necessary for the Goods to be covered by any duty deferral, free trade zone programs, or free trade programs of the country of import prior to first shipment of the Goods.

Suppliers are required to provide timely and accurate responses to all FTA/COO requests made by Buyer's designated 3rd Party Service Provider. Each request to Buyer's supply base provides a required return by date. Supplier scorecards will be negatively impacted by the supplier's failure to respond timely. Failure by the Supplier to respond timely to any of Buyer's FTA/COOs requests will result in the Supplier receiving PRR(s).

C. EXPORT CONTROLS: Exports and re-exports will be made in accordance with all applicable laws within the specific regions, country of Export, and country of Import and diversion contrary to law of any of the countries is strictly prohibited. Export licenses or authorizations necessary for the export of Goods are Seller's responsibility unless otherwise indicated in a Purchase Order, in which case Seller will provide the information necessary to enable Buyer to obtain the licenses or authorizations. Seller will promptly notify Buyer in writing of the country of origin of Goods and promptly update Buyer if there are changes to the country of origin.

Sellers, buyers, and recipients of consigned Goods are not to use, transfer, export, re-export, resell or otherwise dispose of any items purchased to any destination, end-user or for any end-use prohibited by the laws or regulations of the United States or any other country's applicable laws or regulations where such law does not conflict with the laws of the United States; unless such use, transfer, re-export, resale or disposition is specifically authorized by a government agency with export authority over the items purchased or ordered from or sold. In the event it is determined by Buyer, its agents, or a representative

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

government agency that such representations are incorrect, Seller will indemnify, defend and hold Buyer harmless from any and all fines, penalties, liquidated damages, or other action taken by such government agency against the Goods.

The Seller, buyers and recipients of consigned Good should comply with all applicable national and international export control laws, including, without limitation: the Wassenaar Arrangement and/or any other international agreement to which Mexico is a party in relation to this matter, the Foreign Trade Law and its Regulations, the Customs Law and its Regulations, the Federal Tax Code and its Regulations, as well as the "Agreement subjecting the export of conventional arms to the requirement of prior permission by the Ministry of Economy, their parts and components, dual-use goods, software and technologies susceptible of diversion for the manufacture and proliferation of conventional weapons and weapons of mass destruction", published in the Official Gazette of the Federation on June 16, 2011 and its respective amendments, as well as any agreement issued by the agencies of the Mexican Federal Public Administration related to the matter. Likewise, the Contractor should comply with the provisions of the US Export Control Regulations (EAR), 15 CFR Parts 730-774, the International Traffic in Arms Regulations (ITAR), 22 CFR Parts 120-130, and the US Economic Sanctions Regulations (OFAC Regulations), 31 CFR Parts 500- 598), the European Union Regulations (such as the Embargos and the Dual Use Regulation 428/2009), and the provisions of other applicable national and international laws and regulations. The WTO (World Trade Organization) International Export Regulations and Controls 2023, Part 3 - Weapons and Disarmament.

D. SUPPLY CHAIN SECURITY: Seller will ensure compliance with the recommendations or requirements of all applicable governmental security/anti-terrorism and enhanced border release programs as included in, without limitation, the United States Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism (C-TPAT), and Administración General de Auditoría de Comercio Exterior de Mexico's Authorized Economic Operator Operador Económico Autorizado (OEA) program) and the WCO (World Customs Organization) - AEO (Authorized Economic Operator) for international movement of goods globally. At the request of Buyer or the appropriate Customs Authority, Seller will certify in writing its compliance with the foregoing. Seller will indemnify and hold Buyer harmless from and against any liability, claims, fines, demands, or expenses (including attorneys' or other professional fees) arising from or relating to Seller's failure to accept, implement, or comply with C-TPAT, OEA/AEO or any other country's supply chain security program.

E. COUNTRY OF ORIGIN MARKING: Seller is responsible for marking all Goods and containers in accordance with the country of destination marking rules and regulations for all shipments crossing international borders. If Goods are manufactured in a country other than the country in which Goods are delivered, Seller will mark Goods "Made in (country of origin)" or in accordance with the destination country's requirements. Seller will also be responsible for providing to any customs or other authorities any documentation or other data related to country of origin calculation by issuing certificates as necessary in favor of Buyer, and Seller will notify Buyer if Seller becomes aware of any changes or mistakes that affect the certificate of origin.

F. WOOD PACKAGING: Seller is responsible for adhering to all wood packaging material (WPM) regulations (ISPM – 15 International Standards for Phytosanitary Measures No. 15/IPPC Stamp) All additional costs, fees, penalties, or forfeiture of Goods for failure to adhere to WPM regulations will be at the expense of Seller regardless of terms of sale or transfer of title.

G. NON-COMPLIANCE: Buyer will debit Seller's account for any duties, penalties, fees, and/or any reasonable administrative processing fees incurred as a result of non-compliance with any requirement(s)

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

listed.

31. TRANSACTIONAL TAX: Unless otherwise provided in this Purchase Order, the prices set forth in this Purchase Order will be exclusive of all transactional taxes, including any sales, use, excise, services, value added tax, goods and services tax, or similar tax, or duties and these taxes should be separately identified by Seller in both Seller's quote and in this Purchase Order even if the tax rate is zero. Buyer will not be responsible for any transactional taxes charged by Seller that are not identified in this manner. Seller will separately state all charges for transactional taxes on its invoices (or other such documents). Additionally, Seller will provide Buyer with invoices or withholding certificates in line with the applicable tax laws in its country to enable Buyer to reclaim the transactional taxes and Seller will provide such documentation no later than when the payment to which the invoice relates is due from Buyer. Seller will be responsible for remitting the transactional tax to the applicable taxing authority except for those states or jurisdictions where Buyer has provided Seller with an appropriate exemption certificate or other similar tax certificate. Seller will use reasonable efforts to apply for such exemptions or tax benefits where applicable. Seller will not charge Buyer for any transactional taxes charged by a subcontracting supplier if such tax is recoverable by Seller, or if not recoverable, it would have been, had the transaction been structured through other entities (either Seller's or Buyer's affiliated companies). If transactional taxes are not recoverable by Seller, Seller agrees to provide detailed billing, customs or other documents as requested, which set out the transactional taxes paid or payable to any of Buyer's subcontracting supplier or to a taxing authority.

32. PRICE, INVOICING, AND PAYMENT:

A. 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.

B. If Buyer requests an invoice from Seller or if the Purchase Order requires Seller to invoice Buyer for the Goods, promptly after each shipment of Goods, Seller will issue a single invoice for such shipment or agreed performance milestone to Buyer at the address specified by Buyer. Each invoice must comply with applicable law, if any, and include the following information regarding the corresponding shipment of Goods: (i) amount due (in the currency specified in this contract); (ii) location of delivery or performance; (iii) shipment or delivery information; (iv) if applicable, Purchase Order number; (v) if applicable, the intra-EU VAT number; (vi) for Goods, the net weight of the Goods, and (vii) if applicable, import information. Buyer may reject any invoice that is inaccurate or does not conform to these requirements, and Seller will promptly reissue any such rejected invoice. Buyer's failure to reject an invoice does not constitute Buyer's acceptance of the invoice or the Goods or services to which such invoice pertains.

C. Buyer will pay for conforming Goods at the price stated in the Purchase Order provided by Seller in accordance with the payment terms and in the currency specified elsewhere in the Purchase Order. If the Purchase Order does not specify the payment terms, all payments of undisputed invoices are due net ninety (90) from the date of invoice. In case of applicable law requiring shorter payment terms than those set forth on the Purchase Order, the payment terms required by law shall apply. Unless otherwise stated on the Purchase Order, all payments 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. Buyer's liability for any of the Goods is limited to the price for those Goods shown on the Purchase Order or Release. Buyer is not obligated to pay for defective deliveries until the defect is resolved. Payments may be made electronically (including by bank transfer or recorded bill of exchange, where applicable). Where Buyer has reasonable grounds to believe Goods provided by Seller under this Purchase Order may

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

be subject to any liens, claims or encumbrances, Buyer may withhold payment pending receipt of evidence, in such form and detail as Buyer may direct, that such Goods are free of any liens, claims and encumbrances.

D. 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.

E. 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.

33. SETOFF/RECOUPMENT: In addition to any right of setoff or recoupment provided by law, all amounts due to Seller under this or any other transaction between Buyer and Seller will be considered net of indebtedness or obligations of Seller and its affiliates/subsidiaries to Buyer and its affiliates/subsidiaries, and Buyer will have the right to setoff such indebtedness against, or to recoup such indebtedness from, any amounts due to Seller and its affiliates/subsidiaries from Buyer and its affiliates/subsidiaries. If Buyer reasonably feels itself insecure or at risk, Buyer may withhold and recoup a corresponding amount due to Seller to protect against such risk. Net of indebtedness or obligations does not require an adjudication or judgment. It is based on any claim, whether due or not due, present or future, that Buyer or its affiliates/subsidiaries have or may have against Seller or any of its affiliates/subsidiaries.

34. NO ADVERTISING: Seller will not, without first obtaining the written consent of Buyer, in any manner disclose to any third party, advertise, or publish the fact that Seller has contracted to furnish Buyer the Goods covered by this Purchase Order, or use any trademarks, service marks, or trade names of Buyer in Seller's advertising or promotional materials.

35. CONFIDENTIALITY and CYBER-SECURITY:

A. Seller will ensure that the Goods, services, and all related information covered by or in any way derived from this Purchase Order, including design and manufacturing information, which Seller receives from Buyer ("Confidential Information") will be kept in strict confidence. Seller will exercise all reasonable precautions to prevent unauthorized disclosure of Confidential Information to any third party. Seller will not use the Confidential Information for any purpose other than for executing its obligations under this Purchase Order. This provision will survive cancellation, termination, or expiration of this Purchase Order. Seller will, at Buyer's request, employ computer system(s) which will allow compatible electronic information interchange, electronic commerce, and other electronic communications with Buyer's computer systems, including but not limited to manufacturing, engineering, quality and procurement systems. Seller will electronically communicate with Buyer in a secure (encrypted) manner and specifically utilizing electronic data interchange (EDI), unless otherwise agreed, with respect to all supply chain communications relating to this Purchase Order, including, without limitation, receiving Buyer's production schedules and sending advance shipment notices to Buyer. Any access to Buyer's systems given to Seller by Buyer for purposes of such communication will not be shared by Seller with any other person or entity and will be kept in strict confidence by Seller. Seller represents that it will maintain and periodically test the efficacy of appropriate information security controls designed to protect the confidentiality, integrity, and availability of all non-public Buyer-related information. Buyer or its representatives may request information from Seller regarding the security controls implemented pursuant to this Section. Seller will provide a reasonable level of insight into their controls in a timely manner. In the event of unauthorized access, or suspected unauthorized access, to non-public Buyer-related information ("Security Breach"), Seller agrees to use commercially reasonable efforts to contain the Security Breach and notify Buyer about the Security Breach, including the type of non-public Buyer-

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

related information that was accessed, no later than twenty-four (24) hours after such information becomes available.

B. Enterprise Cybersecurity. Seller must: (i) maintain reasonable, risk-based cybersecurity programs, supported by appropriate technical and operational measures including policies and procedures, to protect the confidentiality, integrity, and availability of Confidential Information and Buyer Data, prevent disruption of the production or delivery of Supplies, and respond in a timely and effective manner to any cybersecurity incident that may compromise any Confidential Information and Buyer Data or disrupt production or delivery of Supplies; (ii) promptly, but no less than 48 hours subsequent to Seller's first knowledge of the incident, notify Buyer of any attempted or actual unauthorized possession, access, use, or knowledge of Buyer's Confidential Information and Buyer Data by any person or entity that may become known or suspected by Seller; (iii) promptly furnish all known details of the attempted or actual unauthorized possession, access, use, or knowledge; (iv) take commercially reasonable measures to investigate, remediate or prevent the recurrence of any incursion or attempted or actual unauthorized possession, access, use, or knowledge of Confidential Information and Buyer Data; and (v) upon request, at Seller's expense, demonstrate compliance through a third-party audit or other reasonable measure agreed upon by Buyer.

Product Cybersecurity. Seller must maintain a reasonable, risk-based program, supported by appropriate technical and operational measures including policies and procedures, to ensure the cybersecurity of any Supplies that include software, hardware, or other electrical components. Seller's product cybersecurity program must provide for security by design, vulnerability management, governance, and any other elements identified by Buyer in a manner consistent with industry best practices, including but not limited to ISO/SAE 21434, IEC 62443, and ISO 27001 or their respective revisions.

Supply Chain Cybersecurity. Seller will ensure its subcontractors are contractually bound to comply with the provisions of this Section 35 or its equivalent.

No Personal Data. No Personal Data protected under applicable Law is or will be disclosed or processed by either Party.

36. FEDERAL CONTRACTS / FAIR LABOR STANDARDS ACT: 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 attorneys' or other professional fees) arising from or relating to any claim that Seller violated these federal contract requirements or the FLSA.

37. COMPLIANCE WITH LAWS; FORCED LABOR: Seller, and any Goods supplied by Seller, will comply with all applicable laws, rules, regulations, orders, conventions, ordinances, or standards that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval, or certification of the Goods, including, but not limited to, those relating to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety, and motor vehicle safety. Seller further represents that neither it nor any of its subcontractors, vendors, agents or other associated third parties will utilize child, slave, prisoner or any other form of forced or

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

involuntary labor, or engage in abusive employment or corrupt business practices, in the supply of Goods under this Purchase Order. Seller agrees to comply with all applicable anti-corruption laws, including, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, 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 or expenses (including, without limitation, legal, attorneys' or other professional fees) arising from or relating to Seller's noncompliance.

38. NO IMPLIED WAIVER: The failure of either party at any time to require performance by the other party of any provision of this 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 this Purchase Order constitute a waiver of any succeeding breach of the same or any other provision.

39. NON-ASSIGNMENT: Seller may not assign or delegate its obligations under this Purchase Order without Buyer's prior written consent. Any direct or indirect change in control of Seller resulting from a merger, consolidation, stock transfer, asset sale or similar transaction will be deemed an assignment or delegation for purposes of this Purchase Order that requires Buyer's prior written consent.

40. RELATIONSHIP OF PARTIES: Seller and Buyer are independent contracting parties and nothing in this 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.

41. GOVERNING LAW; JURISDICTION:

A. GOVERNING LAW:

- (i) If the location of Buyer from which the Purchase Order is issued is in the United States of America, the Purchase Order, including these incorporated Terms, is governed by the laws of the state of Michigan.
- (ii) If the location of the Buyer from which the Purchase Order is issued is other than set forth above and is not in Europe, the Purchase Order, including these incorporated Terms, is governed by the laws of the state of Michigan.
- (iii) If the location of the Buyer from which the Purchase Order is issued is in Europe, the Purchase Order, including these incorporated Terms, is governed by the laws of the country of the location of Buyer from which the Purchase Order is issued.
- (iv) In all cases, the provisions of the United Nations Convention on Contracts for the International Sale of Goods do not apply. Any conflict-of-laws or choice-of-law provisions or principles that would require application of the laws of a jurisdiction other than those set forth above are excluded.

B. JURISDICTION: Any litigation on claims arising from the Purchase Order may be brought by Buyer in any court having jurisdiction over Seller or, at Buyer's option, in any court having jurisdiction over any Buyer's locations specified in the Purchase Order, in which event Seller consents to jurisdiction and

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

service of process in accordance with applicable procedures. Any claim or proceeding by Seller against Buyer may be brought by Seller only in the court having jurisdiction over the location of Buyer from which the Purchase Order issued. 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.

C. EXCLUSIVE VENUE: The exclusive venues in which any dispute arising under or relating to a Purchase Order subject to Michigan law under Section 41(A)(i)-(ii), must be litigated are the Special Business Dockets of the Wayne County Circuit Court or the United States District Court for the Eastern District of Michigan. Seller will stipulate to dismiss any lawsuit brought in any court other than these courts for improper venue. The remainder of this section notwithstanding, Buyer reserves the right to bring a lawsuit in any court with jurisdiction over Seller.

D. CONSENT TO SERVICE: If Seller is not registered to do business in the state of Michigan (and so does not have a designed resident agent in Michigan), Seller consents to being served with all process through the following means: Buyer (i) physically delivers (including, for example, by certified or registered mail, UPS, FedEx, or DHL) the papers to Seller's address shown on the face of the Purchase Order and (ii) sends electronic copies of the papers to an email address for someone at Seller that the parties have routinely used to communicate with one another.

42. SEVERABILITY: If any term of this Purchase Order is deemed or declared invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term will be deemed reformed or deleted, as the case may be, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this Purchase Order will remain in full force and effect.

43. ENTIRE AGREEMENT:

A. This Purchase Order, together with the attachments, exhibits, supplements or other terms of Buyer specifically referenced in this Purchase Order, constitutes the entire agreement between Seller and Buyer with respect to the matters contained in this Purchase Order and with the exception of any fraudulent or negligent representations supersedes all prior oral or written representations and agreements.

B. This Purchase Order may only be modified by a purchase order amendment/alteration issued by Buyer. Buyer may modify Buyer's Standard Purchase Order Terms & Conditions from time to time by posting notice of such modified Standard Purchase Order & Conditions through links provided on the Buyer's website at [Supplier Portal - Avancez Assembly](#) at least ten (10) days prior to the modified Standard Purchase Order Terms & Conditions becoming effective. Seller agrees to review Buyer's website and current Standard Purchase Order Terms & Conditions periodically. Seller's continued performance under the Purchase Order without providing written notice to Buyer detailing Seller's objection to any modified or new Standard Purchase Order Terms & Conditions prior to the effective date of the modified or new Standard Purchase Order Terms & Conditions will be subject to and will constitute Seller's acceptance of such modified or new Standard Purchase Order Terms & Conditions.