



## TI AUTOMOTIVE

### NON PRODUCTION MATERIALS AND SERVICES PURCHASE ORDER TERMS AND CONDITIONS

- 1. CONTRACT:** The Purchase Order, Global Supplier Requirements Manual together with these Terms and Conditions and any addendums or other documents incorporated or referred to in the Purchase Order or herein and any paper or electronic releases issued to Seller hereunder and any framework agreement governing the supply of goods or the provision of services which is entered into between the Seller and Buyer (including any entered into between any affiliates of the Seller and the Buyer), (collectively, the "Order") constitutes the entire contract between the TI Automotive legal entity name on the Purchase Order (the "Buyer") and Seller for the materials ("Goods") and/or services ("Services") ordered, and supersedes any previous oral or written representations, including but not limited to provisions in Seller's quotations, proposals, acknowledgments, invoices or other documents. These Terms and Conditions will apply to the Order except as expressly modified or waived on the face of the Order. Captions in these Terms and Conditions are for convenience only. Any references in the Order to Seller's quotation or other Seller document(s) are for information only and Buyer hereby rejects all terms and conditions proposed by Seller therein. For the avoidance of doubt, in the event of any conflict arising between any framework agreement, any document referred to herein or on the face of the Purchase Order, the Purchase Order and these Terms and Conditions, then the order of prevalence shall be (i) any framework agreement, (ii) any document referred to herein or on the face of the Purchase Order, (iii) specific terms specified on Purchase Order, (iv) these Terms and Conditions; and (v) the Global Supplier Requirements Manual.
- 2. ACCEPTANCE:** A contract is formed on the date that Seller accepts the offer of Buyer. Each Order shall be deemed accepted upon the terms and conditions of such Order by Seller by shipment of goods, performance of services, commencement of work on goods or the provision of services, written acknowledgement, or any other conduct of Seller that recognizes the existence of a contract pertaining to the subject matter hereof. Additionally, each Order shall be deemed accepted five business days after Buyer delivers the Order to Seller, if Seller fails to object to the Order. Acceptance is expressly limited to these Terms and Conditions and such terms and conditions as are otherwise expressly referenced on the face of the Order. No purported acceptance of any Order on terms and conditions which modify, supersede, supplement or otherwise alter these Terms and Conditions shall be binding upon Buyer and such terms and conditions shall be deemed rejected and replaced by these Terms and Conditions unless Seller's proffered terms or conditions are accepted in a physically-signed writing by an authorized representative of Buyer (a "Signed Writing"), notwithstanding Buyer's acceptance of or payment for any Goods or Services or similar act of Buyer.
- 3. SELLER'S STATUS:** Seller and Buyer are independent contracting parties and nothing in the Order shall 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 party.



4. **ASSIGNMENT:** This Order is issued to the Seller in reliance upon Seller's personal performance of the duties imposed. Buyer's written consent to an assignment by Seller shall not be deemed to waive Buyer's right to recoupment from Seller and/or its assigns for any claim arising out of this Order. Buyer shall have the right to assign any benefit or obligation under this Order to any third party upon notice to Seller.
  
5. **CHANGES TO ORDER:** Buyer may change this Order in any respect at any time by notice to Seller. If any such changes affect cost or time for performance, Buyer may, at its discretion, equitably adjust the price or time for performance where the Seller's direct costs are materially affected by such changes after receipt of documentation in such form and detail as Buyer may direct. Any request by Seller for an adjustment in price or terms must be made, in writing, no less than sixty (60) days prior to the date when such change is intended to become effective. Any adjustments requested by Seller, if approved by Buyer, must be in writing and signed by a duly authorized representative of Buyer. If Seller does not provide timely notice to Buyer that a requested change may result in a difference in price or time for performance, the parties agree that Seller's requested change did not affect the price or time for performance. Seller will not make any change to the Order unless done pursuant to Buyer's written instructions or with Buyer's written approval.
  
6. **PACKING AND SHIPMENT:** Where the Seller is supplying Goods, Seller will pack and ship the Goods in accordance with the Buyer's instructions on the Order, furnish all shipping documents required by Buyer and plainly mark Buyer's name and the Order number on all packages and documents. Unless otherwise stated in the Order or herein, Seller will bear all costs of delivering the Goods, including shipping and insurance charges, duties, taxes and other charges. Buyer's count or weight will be final and conclusive for all shipments. Seller will ensure that any third parties who supply packaging for the Goods agree to comply with Buyer's standards. Seller will reimburse Buyer for all expenses incurred by it as a result of improper packing, marking, routing, or shipping. Seller will not charge separately for packing, marking, or shipping, or for materials used therein unless Buyer specifies in writing that it will reimburse Seller for such charges. Seller shall pay any costs incurred by Buyer, including costs charged by its customers as a result of Seller's failure to comply with shipping or delivery requirements.
  
7. **QUANTITY AND DURATION:**
  - A. The quantity applicable to each Order is specified on the face of the Order. The quantity specified may be for up to one hundred percent (100%) of Buyer's requirements for the Goods. Seller further acknowledges and agrees that Seller is obligated to provide Goods to Buyer in the quantity specified in any release issued by Buyer ("Release"). Releases may include Projections (defined below), but Releases are only binding upon Buyer for, and Buyer will have no obligation or liability beyond, the firm quantity specified in the Release. Seller acknowledges and agrees that it will be responsible for assuring all Goods are sufficient to meet the quantities stated in the Release.
  - B. Upon the expiration of any Order, Seller shall 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 supplier.



8. **DELIVERIES:** Time and quantity are of the essence in Seller's performance of this Order. Seller will deliver all Goods in accordance with Buyer's instructions and be delivered on time. Seller shall provide appropriate planning information to demonstrate capability to provide 100% on time delivery at Buyer's request. If any Goods are delivered in excess of volumes ordered or in advance of schedule, Buyer may return them at Seller's expense or retain them and invoice Seller for any resulting handling and storage costs. Buyer will not process invoices for Goods shipped in advance of schedule until the scheduled delivery date. Buyer may change scheduled deliveries at any time by written notice to Seller and will reimburse Seller for reasonable, documented incremental costs incurred by Seller due to such changes. If Seller fails to deliver any shipment of Goods in accordance with Buyer's instructions, Buyer may cancel the Order and/or purchase substitute goods, in which event, Seller will reimburse Buyer for its costs in procuring the substitute goods. Seller is responsible for excess costs associated with late delivery. This shall include (but will not be limited to) expedited freight, loss of production, and excess costs charged to Buyer by its customer due to late delivery. Notwithstanding any agreement concerning payment of freight expenses, delivery shall not have occurred and the risk of loss shall not have shifted to Buyer until the Goods have been delivered to Buyer's facility and have been accepted at that facility.
9. **FREIGHT:** All shipments for which the Buyer is to be financially responsible for will be shipped via Buyer's preferred carrier. Should Buyer's preferred carrier not be used, Seller will be responsible for freight charges.
10. **MINIMUM EXPECTATIONS OF BUYER IN RESPECT OF THE SUPPLY OF GOODS:** Seller shall meet all requirements of a Best in Class Supplier and shall provide world-class competitive products in terms of cost, quality, delivery, technology, and customer support. Seller agrees to drive cost savings which can be a combination of direct and indirect savings. Indirect savings include Buyer approved low cost substitutions (without sacrificing quality). Such cost savings can be documented on a quarterly- basis. Moreover, Seller shall agree to accept TI Purchase Orders and communication via email.
11. **MINIMUM EXPECTATIONS OF BUYER IN RESPECT OF THE SUPPLY OF SERVICES:**
- A. Seller shall meet all requirements of a Best in Class Supplier. If Seller provides Service to Buyer, Seller shall provide such Services with reasonable care and skill and in accordance with generally recognised commercial practices and standards in the industry for similar service; and (ii) the Services will conform with all descriptions and specifications as notified or otherwise agreed with the Seller. Cost savings can be documented on a quarterly basis. Moreover, Seller shall agree to accept TI Purchase Orders and communication via email.
- B. In the event that the Seller shall have its workers or contractors onsite at the Buyer's premises, the Seller is responsible for ensuring that its workers or contractors have their attendance recorded and signed by a supervisor (that is, an employee of the Buyer) at the premises. All such records must be attached to the relevant invoices of the Seller and the Seller acknowledges and agrees that the Buyer shall have no liability to pay any invoice which does not include such attendance record.
- C. Where Seller is using material which is charged on exact measures, the Seller shall prove the amount of material actually used (such evidence shall include a representative of the Buyer having signed a



confirmation of used material) and include such evidence with the relevant invoice. Seller acknowledges and agrees that the Buyer shall have no liability to pay any invoice which does not include such evidence.

12. **PRICE WARRANTY:** Seller warrants that its prices to Buyer for the Goods and/or Services are no less favorable than those extended by Seller to other customers for the same or comparable goods or services in comparable quantities. Seller agrees to reduce its prices under this Order if necessary at any time to maintain this warranty. Buyer shall also receive the full benefit of all discounts, premiums and other favorable terms offered by Seller to its customers. Seller acknowledges that the Buyer does not make any guarantees regarding a specific quantity or minimum dollar volume of sales pursuant to this contract. Prices charged for goods/services listed on the Purchase Order are not subject to increase, including specifically agreed to in writing by Buyer.
13. **TITLE AND RISK:** Title in the Goods supplied to the Buyer shall pass to the Buyer from the Seller upon delivery of the Goods. Risk in the Goods shall pass to the Buyer from the Seller upon receipt of the Goods at the delivery location of the Buyer as specified on the face of the Purchase Order.
14. **INVOICES; PAYMENT:** Seller will invoice Buyer for Goods and/or Services in accordance with the terms specified on the front of the Purchase Order. Payment will not constitute acceptance of any defective or non-conforming Goods. Seller agrees that all its accounts with Buyer will be administered on a net settlement basis and that Buyer may set off debits and credits (without prior notice), including Buyer's attorney fees and costs of enforcement, against any of Seller's accounts regardless of basis for such debits and credits and without advance notice. "Buyer" includes Buyer's parent, subsidiaries and affiliates, and "Seller" includes Seller's parent, subsidiaries and affiliates. In the event that Buyer or any of its subsidiaries or affiliates reasonably feels at risk, Buyer may withhold and recoup a corresponding amount due Seller or any of its subsidiaries or affiliates to protect against such risk. If an obligation of Seller or any of its subsidiaries or affiliates to Buyer or any of its subsidiaries or affiliates is disputed, contingent or unliquidated, Buyer or any of its subsidiaries or affiliates may defer payment of all or any portion of the amount due until such obligation is resolved. Without limiting the generality of the foregoing and by way of example only, in the event of a bankruptcy of Seller, if all of the Orders between Buyer and Seller have not been assumed, then Buyer may defer payment to Seller, via an administrative hold or otherwise, for Goods against potential rejection and other damages.
15. **CONFIDENTIAL INFORMATION:** Seller acknowledges and agrees that it will be obligated to maintain the secrecy and confidentiality of all information disclosed by Buyer to Seller during the course of work under any Order ("Confidential Information"), including, but not limited to, any information regarding Buyer or its business or its customers, the existence and terms of any Request for Quotation or Order, and any drawings, specifications, or other documents prepared by either party in connection with any Request for Quotation or Order. Seller agrees that it will not disclose Confidential Information to or use Confidential Information with or for the benefit of itself or any third party without prior written authorization from Buyer. Seller also agrees to adopt measures to protect the secrecy and confidentiality of Confidential Information

that are reasonable under the circumstances. Confidential Information shall not include any information that (a) was in the possession of Seller before receipt from Buyer; (b) is or becomes available to the public through no fault of Seller; or (c) is received by Seller in good faith from a third party having no duty of confidentiality to Buyer. The obligations of Seller with respect to Confidential Information shall remain in effect during the time that any Confidential Information is considered by Buyer to be secret or confidential or otherwise qualify for protection under the laws of the country in which Buyer is located. At the request of Buyer, Seller will return to Buyer all materials (in any form) that include, incorporate, or otherwise Confidential Information of Buyer. Unless otherwise agreed in a Signed Writing, all information provided by Seller to Buyer in connection with each Order shall be disclosed on a non-confidential basis, and Buyer shall have no duty to maintain the secrecy or confidentiality of such information. Seller shall not sell or dispose of, as scrap or otherwise, any completed or partially completed or defective Goods manufactured hereunder without defacing or rendering them unsuitable for use.

16. **PRODUCT WARRANTY:** With respect to the Goods or services purchased under this Order and all other goods or services purchased from Seller, Seller expressly warrants as follows: (a) the Goods shall strictly conform to all specifications, drawings, instructions, advertisements, statements on containers or labels, descriptions and samples; (b) the Goods shall be free from defects in workmanship and material and shall be new and of the highest quality; (c) Buyer shall receive title to the Goods that is free and clear of any liens, encumbrances and any actual or claimed patent, copyright or trademark infringement; (d) the Goods shall be merchantable, safe and fit for the Buyer's intended purposes, which purposes have been communicated to Seller; (e) the Goods shall be adequately contained, packaged, marked and labeled; (f) all services performed by Seller shall be performed in a competent, workmanlike manner and in accordance with industry standards; and (g) the Goods shall be manufactured in compliance with all applicable federal, state and local laws, regulations or orders, and agency or association standards or other standards applicable to the manufacture, labeling, transporting, licensing, approval or certification. These warranties shall be in addition to all other warranties, express, implied or statutory. These warranties shall survive inspection, test, delivery, acceptance, use and payment by Buyer and shall inure to the benefit of Buyer, its successors, assigns, customers and the users of Buyer's products. These warranties may not be limited or disclaimed by Seller. If Buyer experiences any defect, failure or non-conformity in the Goods the Buyer shall have the right to take the following actions, at Buyer's option: (1) retain the defective Goods in whole or in part with an appropriate adjustment in the price for the Goods; (2) require Seller to repair or replace the defective Goods in whole or in part at Seller's sole expense, including all shipping, transportation and installation costs; and (3) correct or replace the defective items with similar items and recover the total cost from Seller, including the cost of product recalls.
17. **ENVIRONMENTAL STATEMENT:** Seller shall ensure that the environmental impact of its Goods, including but not limited to the Goods, and processes are minimized by dedicating their efforts to reducing the generation and release of substances, which may affect the environment.

18. **LEGAL COMPLIANCE:** Seller warrants that it will comply with all applicable laws, regulations, ordinances and orders in performing this Order and will furnish Buyer and its designees with such certificates or reports of legal compliance as Buyer may request from time to time. All purchased materials used in part manufacture shall satisfy current governmental and safety constraints on restricted, toxic, and hazardous materials; as well as environmental, electrical, and electromagnetic considerations applicable to the country of manufacture, transit and sale.
19. **HAZARDOUS MATERIALS:** Seller will properly classify, describe, package, mark, label and provide Material Safety Data Sheets for the Goods and pack and ship them in compliance with any applicable laws regulations, ordinances and orders relating to the packaging and shipment of hazardous materials. All Orders for hazardous materials will be purchased FOB delivered to Buyer.
20. **INDEMNIFICATION:** To the fullest extent permitted by law, Seller agrees to indemnify, save harmless and defend Buyer and its affiliated companies, their directors, officers, employees, agents and customers („Indemnitees“) from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including without limitation all judgments rendered against, and all fines and penalties imposed upon Indemnitees, and all attorney’s fees and any other cost of litigation („Liabilities“) arising out of breach of contract claims, warranty claims, product recall claims, product liability claims, injuries to persons, including death, or damage to property caused by Seller, its employees, agents, subcontractors, or in any way attributable to the performance of Seller, including without limitation, breach of contract, breach of warranty or product liability; provided, however, that Seller’s obligation to indemnify Buyer shall not apply to any liabilities solely arising from Buyer ,s negligence. Within a reasonable time of becoming aware of any actual or potential Liabilities, Buyer shall notify Seller. Seller, at Buyer’s option and at Seller’s expense, will undertake defense of such actual or potential Liabilities through counsel approved by Buyer. Provided, however, that Seller shall first obtain authorization from Buyer before settlement is made of the actual or potential Liabilities if the terms of such settlement could materially adversely affect Buyer, including any terms which admits the existence of a defect in Goods or a failure of Buyer to fully and faithfully perform its obligations. In the alternative, Buyer may elect to undertake defense of such Liabilities to the extent it is asserted against Buyer, and Seller shall reimburse Buyer on monthly basis for all expenses, attorney fees, and other costs incurred by Buyer.
21. **INSURANCE:** During the term of the Order, at its own expense, Seller will maintain insurance coverage for workers’ compensation, public liability (including contractual liability and product liability) and any other insurance as may be reasonably requested by Buyer in amounts and with insurers satisfactory to Buyer. On request, Seller will furnish Buyer with certificates of insurance that evidence this coverage, name Buyer as an additional insured, and prohibit the cancellation or reduction of coverage without 15 day’s prior written notice to Buyer. At Buyer’s option, Seller may furnish evidence of self-insurance. Compliance with this Section 21 will not relieve Seller of its defense and indemnification obligations under Section 20.

22. **TERMINATION FOR DEFAULT:** Buyer reserves the right to terminate immediately all or any part of each Order, without any liability of Buyer to Seller, in the event of any default by Seller. The following are causes, among others, allowing Buyer to terminate the Order: (i) if Seller repudiates, breaches or threatens to breach any of the terms of the Order including, without limitation, Seller's warranties; (ii) if Seller fails to perform or deliver Goods and/or Services as specified by Buyer; (iii) if Seller fails to provide Buyer with adequate and reasonable assurance of Seller's ability to perform timely any of Seller's obligations under any Order, including, without limitation, delivery of Goods and/or Services; (iv) if Buyer terminates for breach any other Order issued by Buyer to Seller in accordance with the terms of such Order (whether or not such other Order is related to the Order); or (v) if Seller fails to remain competitive with respect to price, quality, delivery, technology, payment terms, or customer support. In the event that an act of termination by Buyer is determined to be improper for any reason, the damages available to Seller shall be limited to the damages that Seller would have been entitled to receive if Buyer had terminated for convenience pursuant to Section 24.
23. **TERMINATION FOR BANKRUPTCY:** Buyer may, at its option, immediately terminate this Order without any liability to Seller upon the occurrence of any of the following events: (i) Seller (or any of its affiliates) suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts within the meaning of any insolvency laws within the jurisdiction of its incorporation; (ii) the Seller (or any of its affiliates) commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party; (iii) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or on connection with the winding up of the Seller (or any of its affiliates) other than for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party; (iv) a creditor or encumbrancer of the Seller (or any of its affiliates) attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days; (v) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator (is appointed over the Seller (or any of its affiliates); (vi) a floating charge holder over the assets of the Seller (or any of its affiliates) has become entitled to appoint or has appointed an administrative receiver; (vii) a person becomes entitled to appoint a receiver over the assets of the Seller (or any of its affiliates) or a receiver is appointed over the assets of the Seller (or any of its affiliates); (viii) any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in (i) to (vii) of this paragraph (inclusive); or (ix) the Seller ceases, or threatens to cease, to carry on all or substantially the whole of its business. Seller shall reimburse Buyer for all costs incurred by Buyer in connection with a Seller Insolvency, including but not limited to, all attorneys' fees and other professional fees.
24. **TERMINATION FOR CONVENIENCE:** In addition to any other right of Buyer to terminate each Order, Buyer may at its option, immediately terminate all or any part of the Order at any time and for any reason by giving written notice to Seller.



25. **NO TERMINATION RIGHT BY SELLER:** If an Order is for a fixed duration, as specified on the face of said Order, Seller shall have no right to terminate said Order. For Orders of indefinite duration, Seller may terminate such Order on no less than twelve months notice provided to the Buyer, in writing.
26. **BINDING EFFECT:** This Order is binding on the parties and their respective directors, officers, employees, agents, subcontractors, and duly authorized successors and assigns.
27. **REMEDIES; DISCLAIMER:** The rights and remedies of the Buyer shall be cumulative and in addition to any other rights or remedies provided by law or equity. Any attempt by Seller to limit Buyer's warranties, remedies or the amount and types of damages that Buyer may seek shall be null and void.
28. **LIMITATIONS ON BUYER'S LIABILITY:** In no event shall Buyer be liable to Seller for any lost profits or for any incidental, consequential, special, exemplary or punitive damages. Without limiting the foregoing, the parties further agree that in no event shall Seller's damages exceed the value of Goods purchased by Buyer from Seller in the three months immediately preceding the alleged breach.
29. **GOVERNING LAW; FORUM:** This Order will be interpreted and enforced under the laws of the country (and state/province, if applicable) where Buyer is situated, without recourse to the conflicts of laws provisions thereof. In no event will the provisions of the U.N. Convention on the International Sale of Goods apply to this Order. All disputes involving this Order shall be adjudicated exclusively in the courts in the country (and state/province, if applicable) where the Buyer is situated or, at the discretion of the Buyer only, in the courts where the Seller is situated.