



## GLOBAL PURCHASE TERMS and CONDITIONS

### Effective October 1, 2024

#### 1. SCOPE

These Purchase Terms and Conditions apply to and are included in any purchase order or supply agreement (“**Purchase Order**”) issued by Shape Corp. or any of its affiliates, which include but are not limited to Shape Corp. Czech Republic s.r.o., ID: 248 01 356, with registered office at Havířská 1388, 330 23 Nýřany, the Czech Republic, registered in the Commercial Register maintained by the Regional court in Pilsen, file no. C 29600, Shape Corp. Mexico, S. de R.L. de C.V., Shape Corp. GmbH, Shape/NetShape China Auto Parts Company Limited, Shape Japan Co., Ltd. K.K., NetShape Engineering Services Private Limited, Shape/NetShape Korea Limited, Magnode, LLC, dba Shape Aluminum, Shape Corp. dba NetShape Solutions Group, NetShape Solutions Group, or other entities under Shape Corp.’s control (“**Buyer**”) to a third party and its affiliates (“**Seller**”).

#### 2. CONTRACT

##### 2.1 Offer and Acceptance.

Each Purchase Order issued by Buyer is Buyer’s offer to purchase the materials, components, packaging, tooling, equipment, hardware, or software (“**Products**”) and/or services (“**Services**”) identified in the Purchase Order. Seller accepts a Purchase Order as issued if (a) Seller fails to object to it in writing within two (2) business days after receipt, (b) commences any work under the Purchase Order, (c) ships Products or provides Services, or (d) engages in any other conduct that recognizes the existence of a contract for the Products and/or Services. Seller agrees not to accept the Purchase Order with any reservation.

##### 2.2 Contract Terms.

2.2.1 Upon Seller’s acceptance of the Purchase Order, Buyer and Seller will have entered into a binding contract containing the terms of the following documents (“**Purchase Contract**”):

- The Purchase Order;
- These Global Purchase Terms and Conditions;
- Any documents specifically incorporated in the Purchase Order, except that any reference to Seller’s quote in Buyer’s Purchase Order will be read to refer to the Seller’s description of its products and/or services and price only, and any Seller’s terms of sale in its quote are specifically rejected and will not be part of the Purchase Contract;
- Any written agreement entered into by both Buyer and Seller prior to Seller’s acceptance of the Purchase Order, including, but not limited to, a letter of nomination, a statement of work, or a confidentiality or non-disclosure agreement, to the extent the terms in such agreement do not contradict the Purchase Order or these Global Purchase Terms and Conditions;
- If the Purchase Order relates to Products that are materials or components and/or related Services incorporated into goods sold by Buyer, the most current version of Buyer’s Supplier Standards Manual posted at [www.shapecorp.com/suppliers](http://www.shapecorp.com/suppliers);
- If the Purchase Order relates to Products that are tooling or equipment and/or related Services, the applicable sections of the most current version of Buyer’s Tool Quote and Build Requirements Manual, posted at [www.shapecorp.com/suppliers](http://www.shapecorp.com/suppliers);
- The most current version of Buyer’s Supplier Principles of Conduct posted at [www.shapecorp.com/suppliers](http://www.shapecorp.com/suppliers).

2.2.2 ALL PURCHASE ORDERS ARE EXPRESSLY CONDITIONED UPON SELLER'S ACCEPTANCE OF THE EXCLUSIVE APPLICATION OF THE TERMS IN THE PURCHASE CONTRACT.

2.3 Purchase Contract Does Not Include Forecasts; Maintaining Capacity.

Any expression of quantities of Products or Services noted by Buyer in its requests for quotes or statements of work for materials or components are to be considered non-binding information serving only to enable Seller to plan for capacity and materials, will not be considered a term of the Purchase Contract, and will not obligate Buyer to purchase the quantity indicated. Notwithstanding the previous sentence, Seller agrees to maintain staffing, equipment and other production or services resources sufficient to exceed by 25% its agreed-upon capacity plan as described by Buyer in its statement of work. Buyer may express quantities of Products or Services as part of a binding performance specification in its requests for quotes or statements of work for packaging, tooling or equipment.

2.4 Purchase Contract Document Modifications.

Buyer's Global Purchase Terms and Conditions, Supplier Standards Manual, Supplier Principles of Conduct and other documents related to the Purchase Contract are accessible on Buyer's website at [www.shapecorp.com/suppliers](http://www.shapecorp.com/suppliers). Buyer may unilaterally modify such documents at any time by posting a revised document to [www.shapecorp.com/suppliers](http://www.shapecorp.com/suppliers). Any such revised document posted to [www.shapecorp.com/suppliers](http://www.shapecorp.com/suppliers) will apply to all Purchase Order revisions or amendments and new Purchase Orders issued on or after the effective date of the document. SELLER IS RESPONSIBLE TO REVIEW AND COMPLY WITH BUYER'S MOST RECENT VERSION OF SUCH DOCUMENTS POSTED ON [www.shapecorp.com/suppliers](http://www.shapecorp.com/suppliers). No modifications to any Purchase Order or waiver or amendment or addition to any Purchase Contract term or provision will be enforceable against Buyer unless such modification, waiver, amendment or addition is previously agreed to in writing by Buyer's authorized representative.

3. QUANTITY, RELEASES, SHIPMENT, DELIVERY

3.1 Time and Quantities of Essence.

Time and quantities are of the essence in all aspects of Seller's performance under the Purchase Contract.

3.2 Quantity and Releases.

3.2.1 Quantities and deliveries for Products and Services that are not materials or components will be reasonably determined by Buyer and noted on the Purchase Order.

3.2.2 If Buyer's Purchase Order states a specific quantity, the Purchase Order is a fixed-quantity contract. Seller must supply Buyer with the specified quantity of Products and Buyer must purchase from Seller the specified quantity of Products at the price indicated.

3.2.3 If Buyer's Purchase Order for materials or components does not specify a quantity, or specifies the quantity as "blanket order," "as released," "subject to Buyer's production releases," "0," "REQ," "100% REQ," "100%," or other similar words, the Purchase Order is a 100% requirements contract. Buyer must order from Seller and Seller must deliver to Buyer all the Products that Buyer needs during the Term of the Purchase Order (as defined below). Buyer will determine its needs for the Products, including quantities and delivery dates, and communicate those quantities and delivery dates to Seller through material authorization releases, broadcasts or similar written or electronically-transmitted instructions transmitted by Buyer to Seller from time to time in reference to the Purchase Order (each a "Release").

- 3.2.4 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 must order from Seller and Seller must deliver to Buyer the indicated percentage of Products that Buyer needs during the Term of the Purchase Order (as defined below). Buyer will determine its needs for the Products, including quantities and delivery dates, and communicate those quantities and delivery dates to Seller through Releases.
- 3.2.5 Seller agrees to participate in electronic data interchange or a similar program, at Seller's expense, for notification of Releases, shipping confirmation and other information related to the Purchase Order.
- 3.2.6 Buyer will have no liability to Seller beyond the raw material and fabrication authorizations noted in Buyer's Supplier Standards Manual, or any greater raw material or fabrication authorization noted in the Purchase Order.
- 3.2.7 Buyer is not obligated to order, issue a Release, or purchase from Seller any particular quantity or volume of Products and Services.
- 3.2.8 Buyer may return over-shipments to Seller at Seller's expense.

### 3.3 Packing, Labeling, and Shipment.

Seller will pack, label, and ship Products with indication of the applicable Purchase Order and in compliance with (a) the Purchase Order, and Buyer's Supplier Standards Manual or Tool Quote and Build Requirements Manual, whichever is applicable, including the quantity and type of packing documentation, labeling requirements, hazardous materials instructions, logistics expectations, and method of transportation directions included in the Purchase Order or applicable Manual, unless Buyer instructs otherwise in writing, and (b) all applicable national, state, provincial, and local laws and regulations pertaining to product content, hazardous materials, and warning labels. Unless specified in the Purchase Order, Seller will not charge Buyer for labeling, packing, boxing or crating.

### 3.4 Delivery.

Products and Services are to be delivered in the quantities and at the times specified by Buyer in the Purchase Order or any Release. Unless otherwise stated in the Purchase Order, Products shall be delivered F.C.A. Seller's facility Incoterms® 2020. If requested by Buyer in the form of advance notice, Seller will change the rate of shipment or temporarily suspend delivery of a scheduled shipment or delivery of Products or Services without any change in price to Buyer. Seller will immediately notify Buyer of any delays in deliveries, including an explanation of the reasons for the delay, probable length of the delay, and description of measures Seller has or will undertake to remediate the delay. If Seller does not deliver Products or Services in time to meet Buyer's delivery schedules, and if Buyer has not excused the delay in writing, Seller will be in breach of the Purchase Contract and these Global Purchase Terms and Conditions without need for notice of breach, and Seller will be responsible for the costs of any resulting expedited or other special transportation. In the case of Products, notwithstanding any agreement regarding payment of freight expenses, delivery will not have occurred and the risk of loss will not have shifted to Buyer until the Products have been received at the specified delivery location and have been accepted by Buyer at that location.

## 4. PRICE, PAYMENT

### 4.1 Price

- 4.1.1 The price for Products or Services noted on the Purchase Order (the "**Price**") is not subject to increase, including, but not limited to, increases based upon changes in raw material, component

pricing, labor, or overhead costs, unless Buyer specifically agrees to such possible increases in writing and notes the agreement on the Purchase Order.

- 4.1.2 The Price includes storage, handling, packaging, freight, and other expenses of Seller, unless otherwise noted on the Purchase Order.
- 4.1.3 The Price includes all applicable federal, state, provincial and local taxes, including sales, value-added or similar taxes and tariffs, and Seller will pay taxes and tariffs. Changes in taxes and tariffs are risks assumed by Seller. If the Purchase Contract pertains to Products or Services identified by Buyer as industrial processing and potentially exempt from sales, value-added, or similar turnover taxes or charges, the tax identification number and/or other exemption information will be stated in the Purchase Order or otherwise provided by Buyer.
- 4.1.4 Seller warrants the Price is at least as low as the price charged by Seller to buyers of a class similar to Buyer and for Products and Services of like grade and quality to those specified in the Purchase Order.
- 4.1.5 Seller warrants that the Price is competitive with the prices for similar Products and Services available to Buyer from other sellers. Buyer may, without notice to Seller, market test the Price. If Buyer determines that the Price is not competitive, Buyer will give Seller notice and a reasonable opportunity to reduce the Price to equal the lowest price identified in Buyer's market test, but if no agreement on Price is reached, Buyer may terminate the Purchase Order for cause pursuant to Section 13 and source the supply of such Products or Services from another supplier. Seller will fully cooperate with Buyer and its designees in connection with any such sourcing to another supplier.
- 4.1.6 If the Price for Products includes an amortized payment or reimbursement to Seller for expenses, including tooling, equipment and/or research and development expenses (the "**Amortization Amount**"), upon Seller's receipt of full repayment or reimbursement of the Amortization Amount, the Price for subsequent Products will be decreased by an amount equal to the per-Product portion of the Amortization Amount.
- 4.1.7 In the case of Products that are components or materials, Seller warrants the Price to be the same for pre-production components and materials as for production components and materials, unless otherwise agreed in writing by Buyer and Seller.
- 4.1.8 If Buyer includes continuous cost improvement requirements in its request for quote, letter of nomination or statement of work, Seller represents and warrants it will comply with such requirements.

#### 4.2 Changes.

Buyer reserves the right to make changes to the drawings, specifications, materials, packaging, testing, quantity, time, location, method of delivery or shipment, or similar requirements prescribed in the Purchase Contract, which changes will be provided in a written notice to Seller. Seller will provide written notice to Buyer of any resulting changes to Price or delivery within ten (10) days of Buyer's notice of change(s), and Buyer's acceptance of any such resulting changes to Price or delivery must be in writing and signed by Buyer's authorized representative.

#### 4.3 Invoice and Payment Terms.

- 4.3.1 Seller will invoice Buyer in a form satisfactory to Buyer only after delivery of Products or performance of Services, except in the case of tooling or equipment, in which case an invoice in a form satisfactory to Buyer is permitted at the time(s) indicated on the Purchase Order. All invoices must reference the applicable Purchase Order.

- 4.3.2 After receipt of an invoice in a form satisfactory to Buyer, Buyer will pay for Products and Services at the payment terms indicated on the Purchase Order.
- 4.3.3 Seller will accept payment from Buyer by check or other cash equivalent, including electronic funds transfer. Buyer will pay Seller in the currency specified on the Purchase Order, or, if not specified, in U.S. Dollars.

#### 4.4 Directed or Recommended Suppliers.

If Buyer's customer directs or recommends that Seller serve as Buyer's source for the Products or Services:

- 4.4.1 Payment from Buyer for the Products or Services will be due to Seller only after and to the extent of Buyer's actual receipt of payment from Buyer's customer for Buyer's goods into which the Products or Services are incorporated;
- 4.4.2 Any extension of Buyer's customer's payment terms to Buyer will automatically extend, by the same amount of time, the payment terms between Buyer and Seller; and
- 4.4.3 Within three (3) business days following Buyer's written notice of any reduction in price paid by Buyer's customer to Buyer for Buyer's goods into which Seller's Products or Services are incorporated, Seller will proportionately reduce the Price.
- 4.4.4 Within three (3) business days of any change in price, specifications or other terms negotiated or proposed between Seller and Buyer's customer, Seller will notify Buyer in writing and immediately adjust its invoices to reflect any price reduction, provided that no change will be binding on Buyer without Buyer's specific written consent.

#### 4.5 Insolvency of Buyer's Customer.

In the event that Buyer's customer files or has filed against it a petition in bankruptcy or insolvency, and in the course of such proceeding and in connection with an actual or threatened termination by Buyer's customer of its purchase orders with Buyer, Buyer permits a reduction in the price paid to Buyer for Buyer's goods sold to such customer to prevent a termination of Buyer's customer's purchase order, then Buyer has the right to proportionally adjust the Price for Products or Services incorporated into such Buyer's goods upon three (3) days' notice to Seller.

#### 4.6 Payments to Subsuppliers.

Buyer may, at its option, remit payments directly to Seller's suppliers or subcontractors for materials, parts, components or services ordered by Seller to fulfill its obligations under the Purchase Order. If Buyer makes such direct payments to Seller's suppliers or subcontractors, Buyer will reduce its subsequent payments to Seller for the Products or Services by an equal amount.

#### 4.7 Setoff.

In addition to any right of setoff or recoupment permitted by law, all amounts due Seller shall be considered net of indebtedness or obligations of Seller to Buyer. Buyer may set off against or recoup from Seller amounts due at any time.

### 5. QUALITY AND WARRANTIES

#### 5.1 Seller's Warranties.

Notwithstanding any approval by Buyer of any design, drawing, material, process or specification, Seller warrants to Buyer that, during the warranty period specified in Section 5.3, Products delivered and/or Services rendered and/or any special tools, dies, jigs, fixtures, patterns, machinery or equipment that are

Buyer's Property (as that term is defined in Section 9) or are obtained at Buyer's expense for the performance of the Purchase Order will:

- 5.1.1 Conform to all drawings, specifications, samples, performance requirements, and other descriptions furnished, specified, or adopted by Buyer;
- 5.1.2 Be free from defects in workmanship, material and design (to the extent design is provided by Seller or its subcontractors);
- 5.1.3 Be merchantable;
- 5.1.4 Be fit for the Buyer's intended purposes, which purposes Seller warrants are known to Seller;
- 5.1.5 Comply with all applicable laws, orders, regulations and standards;
- 5.1.6 Be free from an actual or claimed patent, copyright or trademark infringement;
- 5.1.7 Be free of all liens, encumbrances and rights of parties other than Buyer;
- 5.1.8 To the extent they are Services, be provided in a professional, workmanlike, timely, diligent, efficient and skillful manner using qualified personnel with the required skill, experience and qualifications to meet Seller's obligations under the Purchase Contract.

## 5.2 Seller's Quality Warranty.

For Products that are materials or components, Seller warrants conformity to the quality control standards and inspection system established or directed by Buyer, as well as certification to quality controls detailed in IATF 16949 and/or ISO 9001-2015, as specified in Buyer's Supplier Standards Manual. In the event of any discrepancy between IATF 16949 and/or ISO 9001-2015 and Buyer's Supplier Manual or quality control standards and inspection system, Buyer's Supplier Manual or quality control standards and inspection system will take precedence.

## 5.3 Warranty Period.

In the case of materials or components, the warranty period will be the longest of (a) five (5) years, (b) the warranty period provided by applicable law, (c) the warranty period offered by Buyer to its customers or by Buyer's customers to its end-users, or (d) any time period required by Buyer's customer or a government where Products are used or provided to recall or take remedial action to address a safety-related defect. In the case of Services and Products that involve equipment, the warranty period will be (r) the longest of two (2) years, (s) the warranty period provided by applicable law, or (t) as agreed in a writing executed by Buyer and Seller. For all other Products and Services, the warranty will be the longest of (x) five (5) years, (y) the warranty period provided by applicable law, or (z) the warranty period agreed in a writing executed by Buyer and Seller.

## 5.4 Warranty Beneficiaries.

In addition to Buyer, Seller's warranties will be available to, and for the benefit of, Buyer's successors, assigns and customers, and users of goods containing the Products or Services. Seller agrees to take steps to allow Buyer to benefit from any manufacturer's warranties for purchased components included in the Products.

## 5.5 OEM Customer Warranty.

If Seller's Products or Services are incorporated by Buyer into goods for Buyer's customer which is an automotive vehicle original equipment manufacturer, Seller warrants it will not supply the Products or Services directly to Buyer's customer for the same vehicle program without Buyer's prior written consent while the Purchase Contract is in effect or for the longest period permitted by the admissible case law and

applicable competition law in the country of Buyer, including but not limited to Commission Regulation (EU) No. 330/2010 of 20 April 2010.

## 5.6 Survival.

With the exception of Seller's warranty described in Section 5.5, the warranties provided in this Section 5 will continue for the warranty period in Section 5.3, will not be waived or discharged by any acceptance, inspection, tests, payment or resale by Buyer, and will survive any termination of the Purchase Order.

## 6. INSPECTION, NON-CONFORMING PRODUCTS, RECALL.

### 6.1 Buyer's Inspection, Acceptance, Payment.

Buyer may, but is not required to, inspect Products or Services during manufacture or performance, prior to delivery, or within a reasonable time after delivery. Buyer's acceptance, payment, inspection, or failure to inspect does not relieve Seller's obligations or warranties or responsibility for latent or undiscovered defects under the Purchase Order or applicable law, and does not limit or impair Buyer's right to assert any legal or equitable remedy.

### 6.2 Non-Conforming Products or Services.

In addition to other remedies available to Buyer, Buyer will be entitled, for Products or Services that do not conform to the warranties in Section 5, to (a) reject the non-conforming Products or Services; (b) require Seller, at Buyer's option and Seller's expense (including applicable shipping costs), to either repair or replace the non-conforming Products or Services; (c) require Seller to implement, at Seller's expense, containment, inspection, sorting or other quality assurance procedures; (d) charge back to Seller or setoff amounts due to Seller any costs incurred by Buyer, including administrative costs, as a result of the rejection or correction of the non-conforming Products or Services; (e) require Seller to pay or reimburse any costs or damages incurred by Buyer in response to a government or Buyer's customer recall to remedy a safety-related defect arising from the non-conformance; and (f) require Seller to pay or reimburse any costs or damages incurred by Buyer in response to a government or Buyer's customer recall or remedial action or field action or warranty action to remedy a performance or quality-related defect arising from the non-conformance. If, after the implementation of the above, Buyer is still not satisfied with the quality of the Products or Services from Seller, then Buyer will have the right to terminate the Purchase Order without liability.

## 7. SERVICE REQUIREMENTS

If the Purchase Contract applies to materials or components, Seller agrees to supply Buyer Products and/or related Services for a period of fifteen (15) years after the end of any mass production program in which Seller's Products or Services are being incorporated, at the same Price in effect at the end of the mass production program plus actual costs incurred for special packaging and shipping for the first five (5) years, and subsequently at a mutually-agreed Price taking into account actual, documented differences in the cost of materials, packaging, and costs of production.

## 8. TOOLING, CAPITAL EQUIPMENT

### 8.1 Scope, Specifications, Freight.

This Section 8 applies to any Purchase Order related to Products or Services for any die, jig, fixture, mold, pattern, template, gage, testing device, supplies, materials or other items that are purchased by Buyer or specially constructed for Buyer's use or the use of its outside suppliers on Buyer's behalf in the manufacture of goods for specific models, assemblies, or products and which has a normal physical life of one year or more ("**Tooling**") or for capital equipment ("**Equipment**"). Seller agrees to have all Tooling

and Equipment made to Buyer's specifications, as written in Buyer's Statement of Work or Purchase Order, and in accordance with the procedures set forth in Buyer's Tool Quote and Build Requirements Manual, as applicable.

#### 8.2 Preventative Maintenance, Bill of Material.

Seller will provide Buyer with a complete and comprehensive preventative maintenance plan for Tooling or Equipment prior to final acceptance at the facility designated by Buyer. The preventative maintenance plan shall include, without limitation, at least two (2) complete sets of maintenance and operating manuals for all Tooling and Equipment purchased by Buyer (including one in a foreign language, if required by Buyer), as well as a detailed bill of material.

#### 8.3 Software.

Seller will provide to Buyer a complete copy of (a) the programming logic for any software incorporated in the Tooling and Equipment Products purchased by Buyer from Seller, and (b) access to the program logic controller.

#### 8.4 Training.

Seller will provide any and all necessary training and training materials to Buyer for Tooling or Equipment Products at the initial stage of installation, at no additional cost to Buyer, at Buyer's facility (unless another location is designated on the Purchase Order or in the specifications provided by Buyer). Seller will provide training in the amount and on such schedule as may be reasonably required by Buyer. Seller will provide the training materials in a computerized format, if possible. Where Seller obtains the Tooling or Equipment Products or a portion of the Tooling or Equipment Products from a third party for resale to Buyer, Seller shall cause such third party to provide the training contemplated in this Section 8.4.

#### 8.5 Service and Replacement Parts.

Seller will make available to Buyer repair and replacement parts and service tools for each component of any Tooling or Equipment, for a period of fifteen (15) years after acceptance of the Tooling or Equipment by Buyer or such longer period as is set forth in the Purchase Order.

### 9. BUYER'S PROPERTY, SELLER'S PROPERTY

- 9.1 If Buyer or Buyer's customer has provided or paid for any supplies, materials, packaging, Tooling, dies, gauges, fixtures, molds, machinery, software, blueprints, drawings, specifications, electronic data, consigned material for production or repair, or other equipment and assets used by Seller or its subcontractors to manufacture, store, and transport Products or to provide Services ("**Buyer's Property**"), Buyer (or Buyer's customer, as applicable) will own or have the right to possess the Buyer's Property. Unique computer software required to operate Tooling is considered part of Tooling and is also Buyer's Property.
- 9.2 Seller will hold Buyer's Property on a bailment basis and will be responsible for loss or damage to Buyer's Property while in Seller's possession or control. Seller will, at its own expense, fully insure the Property at its replacement value and name Buyer (or Buyer's customer, as applicable) as an additional insured and as a loss payee. To the extent permitted by law, Seller waives any lien, claim, interest, or similar right it may have with respect to Buyer's Property or for work performed on Buyer's Property, or for replacement parts, additions, improvements and accessories to Buyer's Property.
- 9.3 Seller will (a) at its expense maintain Buyer's Property in good condition, including refurbishment and repair, if necessary; (b) use Buyer's Property only for the purpose of performance of the Purchase Order, unless Buyer otherwise approves in writing; (c) conspicuously mark Buyer's



Property as belonging to Buyer (or its customer, as applicable); (d) maintain a written inventory of all Property, including its location, which will be provided to Buyer upon request; and (e) not remove Buyer's Property (other than shipping containers and the like) from Seller's premises without Buyer's prior written approval. Seller will immediately release Buyer's Property to Buyer, upon Buyer's request, without the need for a court order, at any time, with or without cause and without payment of any kind, F.C.A. Seller's facility Incoterms® 2020, properly packed and marked in accordance with the requirements of Buyer or Buyer's carrier, or at any other location designated by Buyer, in which case Buyer will pay for the reasonable cost of delivery.

- 9.4 Seller hereby grants Buyer a security interest in Buyer's Property and agrees Buyer may prepare and file any financing statement or similar document with the appropriate filing authority to give notice of Buyer's ownership interest in Buyer's Property. Failure to file a financing statement will not alter or affect Buyer's interests in and rights to Buyer's Property.
- 9.5 Seller acknowledges and agrees that Buyer or its customer is bailing Buyer's Property to Seller for Seller's benefit, that Seller has inspected Buyer's Property, and that Seller is satisfied that Buyer's Property is suitable and fit for its intended purposes. BUYER MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION, MERCHANTABILITY, DESIGN OR OPERATION OF BUYER'S PROPERTY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. Buyer will not be liable to Seller for any damages, injuries (including death) or losses of any kind or nature caused or arising, directly or indirectly, from this bailment, including Seller's possession, use or maintenance of Buyer's Property, or for any interruption in or loss of business caused by Buyer's Property.
- 9.6 Unless otherwise specified in the Purchase Order, Seller will provide, at its own expense, materials, tooling, jigs, dies, gauges, fixtures, molds, capital equipment, patterns, drawings, specifications, samples, hardware, software, facilities and other assets required to perform its obligations under the Purchase Order that are not Buyer's Property ("**Seller's Property**"), and will maintain Seller's Property in good condition and replace it, if necessary, during the term of the Purchase Order. Seller grants Buyer an irrevocable option to purchase Seller's Property special for production of Products at its then-current and depreciated book value, subject to Buyer's audit rights in Section 18, and less any amounts Buyer has previously paid to Seller for the cost of Seller's Property, except this option will not apply if the Seller's Property is used to produce Products or deliver Services that are the standard stock of Seller or are also being sold to others in substantial quantity.

## 10. INTELLECTUAL PROPERTY RIGHTS

### 10.1 Background Intellectual Property.

Buyer and Seller will each retain exclusive rights to their inventions, patents, trade secrets, trademarks, trade dress, industrial designs, copyrights, know-how, software, database rights and all other proprietary rights ("**Intellectual Property**") existing prior to the issuance of any Purchase Order, as well as any improvements thereto ("**Background Intellectual Property**"). Buyer does not transfer to Seller any rights to its Background Intellectual Property through information, documents or property made available to Seller, but merely grants to Seller the right to use Buyer's Background Intellectual Property to produce and supply Products and Services to Buyer. Seller agrees to grant and by handing over of any work thereby grants Buyer and Buyer's customers a worldwide, transferrable, irrevocable, royalty-free, non-exclusive license, with the right to grant sublicenses, to use Seller's Background Intellectual Property related to all Products and Services to make, have made, use, sell, incorporate into other products, repair, reconstruct, rebuild and obtain from other sources products and services similar to the Products and Services. The licensee is not obliged to use the license.

## 10.2 Foreground Intellectual Property.

Any Intellectual Property developed in the performance of the Purchase Contract that is not Background Intellectual Property, including that developed by Buyer alone, by Buyer and Seller jointly, or by Seller alone as requested by Buyer (“**Foreground Intellectual Property**”) is owned by Buyer and not by Seller. Seller agrees to assign, and hereby assigns, to Buyer all of Seller’s right, title and interest in and to all Foreground Intellectual Property, and to obtain the assignment of such rights from Seller’s employees, if necessary. To the extent any Foreground Intellectual Property is a copyrightable work or a work of authorship, including computer programs, technical specifications, documentation, Seller agrees it will be a “work made for hire.” Notwithstanding the previous sentences, if the Purchase Contract is subject to the law of the Czech Republic, then, with regard to Foreground Intellectual Property rights which belong at least partly to Seller and which are considered an “employee work” under Sec. 58 of the Czech Copyright Act (No. 121/2000 Coll. as amended), Seller, by handing over of any work and/or carrier thereof, assigns to Buyer Seller’s right to exercise its copyright in such Foreground Intellectual Property and to make changes to the works and/or their names, and to make amendments or alterations, re-arrange the works, combine them with another work(s) or element(s), include in a collection or a database, and will undertake to obtain consents with the assignment of such rights from Seller’s employees. Seller may only use the Foreground Intellectual Property to supply Products and Services to Buyer.

## 10.3 Infringement.

Seller expressly warrants that all Products and Services will not and do not infringe on any Intellectual Property right of any third party. Seller will indemnify and defend Buyer, its affiliates, representatives, assigns and successors, and Buyer’s customers against all claims, liabilities, losses, damages, costs and expenses, including reasonable legal fees, arising out of the actual or alleged infringement of a third party Intellectual Property right. If a claim under this Section 10.3 results in, or is likely to result in an injunction or other order that would prevent Seller from supplying Buyer with Products or Services, or from using Products or Services for their intended purpose, Seller will, at its sole expense, either (a) secure a license of the intellectual property that permits Seller to continue supplying the Products to Buyer, or (b) modify the Products or Services so that they become non-infringing, so long as the modification does not materially alter the operation or performance of the Products or Services, as determined by Buyer.

## 11. CONFIDENTIAL INFORMATION

### 11.1 Confidential Information.

“**Confidential Information**” means the trade secrets, business information, technical information, or products, of Buyer, or of Buyer’s affiliates, or of Buyer’s customers, in any form, tangible or intangible, written, oral, or observed, that Buyer discloses in connection with the Purchase Order and marked or otherwise identified as confidential when disclosed or that Seller would reasonably expect to be confidential by its nature or context, or is created by Seller in the form of summaries, interpretations, notes or images of Confidential Information.

### 11.2 Use of Confidential Information.

During the term of the Purchase Order and for three (3) years after it is terminated, Seller must hold Confidential Information in trust and confidence, must only use Confidential Information for the purpose of providing the Products and/or Services specified in the Purchase Order, and must not, without Buyer’s written consent, disclose Confidential Information to anyone other than its own employees, or employees of its affiliates, with a need to know the Confidential Information to carry out the Purchase Order. Notwithstanding the previous sentence, Seller may not disclose Confidential

Information which is a trade secret until such time as the trade secret becomes known to the public through no fault of Seller, or until such time as Buyer provides written notice to Seller that the information is no longer a trade secret. Upon Buyer's request, Seller will promptly return or destroy all Confidential Information received, and, if requested by Buyer to destroy Confidential Information, provide any certification of destruction requested by Buyer.

### 11.3 Intellectual Property Rights in Confidential Information.

Buyer grants Seller no right of ownership, conveyance, transfer, authority or license under any Intellectual Property right in the Confidential Information, and Buyer retains any Intellectual Property rights it may have in the Confidential Information prior to and after the time of disclosure. Seller will not attempt to secure legal or Intellectual Property rights for itself, its employees, its affiliates or any other person or entity based on Confidential Information.

### 11.4 Purchase Contract Confidential.

During and after the term of the Purchase Contract, Seller will not disclose, advertise, or publish the fact that Buyer has contracted to purchase the Products or Services from Seller, or otherwise disclose its relationship with Buyer or Buyer's customer, without Buyer's prior written consent, except as may be required to perform the Purchase Contract or as required by law.

## 12. SUBCONTRACTING, ASSIGNMENT, CHANGE OF CONTROL, MOVEMENT OF PRODUCTION

Seller may not assign, subcontract or delegate its duties or responsibilities under the Purchase Order, or move its production location, without Buyer's prior written consent, which may include a requirement to requalify Seller's Products and Services under IATF 16469 and ISO 9001-2015 or pursuant to Buyer's customer's qualification requirements. If Buyer approves an assignment or subcontract after notice and request by Seller, Seller is not relieved of its duties or obligations under the Purchase Contract or its responsibility for non-performance or default by its assignee or subcontractor. Seller must obtain Buyer's written consent prior to a sale of Seller's assets used in connection with Seller's performance of the Purchase Contract, or of a change in control of Seller. For the purposes of this provision, a "**change of control**" includes: (a) any sale, lease or exchange of a substantial portion of Seller's assets used in connection with Seller's performance of its obligations under the Purchase Order; (b) any sale or exchange of a sufficient number of shares of Seller, or of any affiliate that controls Seller, to effect a change in management of Seller; or (c) the execution of a voting or other agreement of control in respect of Seller, or of any affiliate that controls Seller. Buyer will have the right to assign the Purchase Order or its interest herein, without Seller's consent, to any of its affiliates or to any purchaser or successor to Buyer's business.

## 13. TERM, TERMINATION

### 13.1 Term of the Purchase Order.

A Purchase Order for Products or Services other than for materials or components will remain in effect for the duration of time indicated on the Purchase Order, or if such term is not indicated, the time required to complete the activities required to deliver the Products and/or Services, unless terminated pursuant to Sections 13.2 or 13.3. A Purchase Order for materials and components will remain in effect until the latest of the following dates: (a) Buyer's customer ends the vehicle production program into which the Products and Services are incorporated (including extensions, model refreshes and past-model service parts needs as determined by Buyer's customer), in which case the Purchase Order will terminate automatically without further notice from Buyer, (b) Buyer's customer cancels or terminates

the vehicle program production prior to its expected program production life, in which case the Purchase Order will terminate automatically without further notice from Buyer, or (c) the Purchase Order is cancelled pursuant to the terms of Sections 13.2 or 13.3.

### 13.2 Termination for Breach or Nonperformance.

- 13.2.1 Buyer may terminate all or part of the Purchase Order, without liability to Seller, and notwithstanding any Excusable Delay under Section 15, if Seller
- 13.2.1.1 Breaches or threatens to breach any term of the Purchase Order;
  - 13.2.1.2 Fails to cure a nonperformance within ten (10) business days (or such shorter time as commercially reasonable under the circumstances) of written notice, except in the case of missed delivery under Section 3.3, in which case notice is not required;
  - 13.2.1.3 Admits in writing its inability to pay its debts as they become due, begins a bankruptcy, insolvency, receivership or similar proceeding, or makes a general assignment for the benefit of creditors;
  - 13.2.1.4 Becomes a debtor in bankruptcy, insolvency, receivership or similar proceeding commenced by a third party that is not dismissed within thirty (30) days;
  - 13.2.1.5 Fails to provide adequate assurance of performance under the Purchase Order within five (5) business days after written demand by Buyer, or such other date specified by Buyer in writing;
  - 13.2.1.6 Has breached, in Buyer's sole discretion, its obligations to comply with Buyer's Supplier Principles of Conduct, in which case Buyer may terminate the Purchase Order immediately, in whole or in part, and Seller will be liable for all costs, damages and expenses caused by or resulting from such default;
  - 13.2.1.7 Fails to remain competitive as specified in Section 4; or
  - 13.2.1.8 Enters or offers to enter into a transaction that includes the sale of a substantial portion of the assets used in connection with Seller's performance of the Purchase Contract, or that includes the sale, merger or exchange of equity interests resulting in a change of control of Seller.
- 13.2.2 Seller may not terminate or cancel the Purchase Contract or suspend performance of the Purchase Order for any reason except Buyer's non-payment under the Purchase Order which is sixty (60) or more days past due and significant in amount, and then only if (a) Seller provides Buyer written notice specifying the amounts past due and Seller's intent to terminate the Purchase Order if the past due amount is not paid, and (b) Buyer, within sixty (60) days of such Seller's notice, does not pay the past due amount or notify Seller in writing that the amounts claimed to be unpaid are disputed by Buyer.

### 13.3 Termination for Convenience.

In addition to any other right of Buyer to terminate or cancel the Purchase Order, Buyer may, in its sole discretion, terminate all or any part of the Purchase Order at any time and for any reason upon sixty (60) days prior written notice to the Seller.

### 13.4 Seller's Obligations Upon Termination.

Upon termination, Seller will:

- 13.4.1 Terminate all or the specified portion of the work under the Purchase Order;
- 13.4.2 Transfer title to and deliver to Buyer the useable and merchantable Products, work in process and raw materials that Seller has produced or purchased based upon the Releases issued by the Buyer,

and pursuant to the authorizations noted in the current version of Buyer's Supplier Manual or any greater authorizations noted in the Purchase Order;

- 13.4.3 Settle all claims by subcontractors approved by Buyer for reasonable direct and actual costs that are rendered unrecoverable by the termination;
- 13.4.4 Upon request, cooperate with transition to an alternate supplier specified by Buyer, as follows:
  - 13.4.4.1 Seller will continue production and delivery of all Products and Services as ordered by Buyer, at the prices and terms stated in the Purchase Order, without premium or other condition, during the entire period reasonably needed by Buyer to complete the transition to the alternate supplier, such that Seller's action or inaction causes no interruption in Buyer's ability to obtain Products or Services as needed;
  - 13.4.4.2 Seller will promptly provide all information and documentation reasonably requested by Buyer regarding Seller's manufacturing process for the Products including on-site inspections, bill of material data, tooling, process detail and sample of components;
  - 13.4.4.3 If the transition occurs for reasons other than Seller's termination or breach, Buyer will, at the end of the transition period, pay the reasonable, actual cost of transition support as requested and incurred, provided that Seller has advised Buyer prior to incurring such amounts of its estimates of such costs. Buyer will have the right to audit the records of Seller to verify transition support expenses under Section 18.

### 13.5 Buyer's Obligations Upon Termination.

Upon termination under Section 13.3 only:

- 13.5.1 Buyer will pay Seller the documented amount of the Purchase Order Price for completed and delivered Products and Services and the actual cost of any work in process, components, and raw materials in Seller's possession based on Releases, which will become Buyer's Property upon payment in full and reasonable claims of Seller's subcontractors if such claims are caused directly by termination of the Purchase Order.
- 13.5.2 Buyer will not be obligated to pay Seller for loss of anticipated or direct or indirect profits, liquidated or consequential damages, unabsorbed overhead, product development or engineering costs, unamortized depreciation, or general or administrative burden resulting from termination of the Purchase Order.
- 13.5.3 Seller's termination claim and documentation for the items in Section 13.5.1 must be submitted to Buyer within thirty (30) days after the effective date of the termination, or Buyer will not be liable for such claim.
- 13.5.4 Buyer will have the right to audit the records of Seller to verify the amount sought by Seller under Section 18.

## 14. REMEDIES, INDEMNIFICATION

### 14.1 Buyer's Remedies.

The rights and remedies reserved to Buyer under the Purchase Contract are cumulative and in addition to all other legal or equitable or similar remedies allowed by applicable law. In addition to any direct damages sustained by Buyer on account of Seller's breach of the Purchase Contract or by delivering non-conforming Products or Services, Seller will also indemnify Buyer as described in Section 14.4 and be liable for Buyer's indirect, incidental and consequential damages including, without limitation, costs, expenses, losses, or lost profits incurred directly or indirectly by Buyer or Buyer's customer(s) (a) in inspecting, sorting, storing, reworking, repairing or replacing non-conforming Products, including but not limited to Buyer's administrative time, labor and materials; (b) resulting from production interruptions

and including lost manufacturing time; (c) for conducting recall campaigns, customer field service actions or other corrective service actions; (d) resulting from personal injury (including death) or property damage caused by non-conforming Products and/or Services; (e) that are reasonable attorneys' fees and other professional fees. In the event Buyer must commence legal action to enforce the production or delivery of the Products or Services or for transition support, Seller acknowledges that Buyer has no adequate remedy at law and Buyer will be entitled to an immediate order of specific performance of Seller's obligations under the Purchase Contract and injunctive equitable relief as a remedy for any such breach, if available.

#### 14.2 Remedies – Buyer's Property.

If Seller does not release or deliver Buyer's Property or Buyer's customer's Property in accordance with Section 9.1, Buyer may at Seller's cost (1) obtain an immediate court order for possession without notice and without posting a bond, and (2) enter Seller's premises, and take immediate possession of Buyer's Property and/or Buyer's customer's Property. To the extent permitted by law, Seller waives any right to object to Buyer's repossession of Buyer's Property and Buyer's customer's Property in a bankruptcy or other proceeding.

#### 14.3 Limitation of Damages.

Buyer's liability to Seller for any loss, liability or damage, including attorneys' fees, arising out of or related to the Purchase Contract, regardless of the form of action, will be limited to Seller's actual direct out-of-pocket and documented expenses which are reasonably incurred by Seller. IN NO EVENT WILL BUYER BE LIABLE TO SELLER FOR SELLER'S INDIRECT, SPECIAL, CONSEQUENTIAL (INCLUDING LOST PROFITS, LOST INVESTMENT, INDEBTEDNESS, LOSS OF FINANCING, LOST SALES, LOST MARKET SHARE OR DAMAGE TO BRAND VALUE, OR BUSINESS INTERRUPTION), INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES, ARISING OUT OF OR RELATED TO THE PURCHASE CONTRACT, WHETHER OR NOT FORESEEABLE, AND REGARDLESS OF WHETHER SELLER'S CLAIM IS IN CONTRACT, TORT OR IS AN EQUITABLE OR SIMILAR PROCEEDING.

#### 14.4 Indemnification.

Seller agrees to indemnify, defend and hold harmless Buyer, its subsidiaries and affiliates, and their respective customers, officers, directors, members, employees, agents, insurers, successor and assigns, from any and all losses, liabilities, costs, expenses, or damages of any kind or nature, including attorneys' and other professional fees, settlements and judgments, that are in any way related to Seller's performance or obligations under the Purchase Contract, and that result from any claim, lawsuit, regulatory action, service campaign, product recall campaign, corrective action, or other voluntary or involuntary action or effort, any spill, discharge, or emission of hazardous wastes or substances, any infringement or misappropriation of any Intellectual Property right, releasing, terminating or otherwise removing any lien placed on the Buyer's Property, any product liability claim and other proceedings to recover for personal injury or death, property damage or economic loss that are related in any manner or arise in any way from Seller's non-conformance with the warranties under the Purchase Contract, or Seller's negligent or willful acts or omissions in its performance under the Purchase Contract. Seller's indemnification obligation shall apply regardless of whether the claim arises in tort, contract, or otherwise, except to the extent of any liability arising solely out of the gross negligence of the Buyer. Seller's indemnification obligations shall apply even if Buyer furnishes all or a portion of the design-and specifies all or a portion of the processing used by Seller. Buyer will notify Seller if Buyer becomes aware of the basis for a claim under this Section 14.4. Buyer will not settle or compromise any claim

which may give rise to an indemnification claim under this Section 14.4 without Seller's prior consent, which Seller will not unreasonably withhold or delay.

## 15. EXCUSABLE DELAY

- 15.1 A delay or failure by either Buyer or Seller to perform its obligations under the Purchase Order will be excused, and will not constitute a default, only if (a) caused by an event or occurrence beyond the reasonable control of that party and without its fault or negligence such as: acts of God, embargoes, fire, floods, earthquakes, natural disasters, epidemics, pandemics, loss of power, any preference, priority or allocation order issued by a government, wars, or riots and (b) the party unable to perform gives notice of the non-performance (including its anticipated duration) to the other party within five (5) business days of becoming aware that it has occurred or will occur (“**Excusable Delay**”). The following events are risks expressly assumed by Seller and will not excuse Seller's performance under this Section 15: (x) change in cost or availability of raw materials, components, labor (including labor stoppage, disruption or strikes), or services based upon market conditions, supplier actions or contract disputes, (y) the imposition of tariffs or duties by governments, (z) Seller's performance delay or failure as a result of Seller's insolvency or lack of financial resources.
- 15.2 If Buyer is unable to perform due to an Excusable Delay, Buyer may delay acceptance of delivery of the Products or Services, in which case Seller will hold the Products or delay performance of the Services, at Buyer's direction, until the cause of the Excusable Delay is removed.
- 15.3 If Seller is unable to perform due to an Excusable Delay, Seller, at its expense, will use its best efforts to mitigate any adverse effects or costs to Buyer due to any actual or potential delay, including: (a) the implementation of a production contingency plan; and (b) upon Buyer's express written authorization, increasing Seller's inventory of finished Products to a level sufficient to sustain deliveries during such delay. Additionally, if Seller is unable to perform due to an Excusable Delay, Buyer may (x) purchase Products and Services from other sources and reduce its purchases from Seller accordingly without liability to Seller, and require Seller to reimburse Buyer for any additional costs to Buyer of obtaining the substitute Products or Services compared to the prices on the face of the Purchase Order, (y) require Seller to deliver to Buyer at Buyer's expense all finished goods, work in process and parts and materials produced or acquired for work under the Purchase Order; or (z) have Seller provide Products or Services from other sources in the quantities and at the times requested by Buyer and at the Price set forth in the Purchase Order.
- 15.4 Within three (3) business days after written request by Buyer, Seller will provide adequate assurances that the non-performance will not exceed thirty (30) days. If the non-performance exceeds thirty (30) days, Buyer may terminate the Purchase Order without liability to Seller, and Seller will reimburse Buyer for costs associated with the termination.
- 15.5 Without limiting Seller's obligations, in the event of any supply allocation by Seller, including as a result of an Excusable Delay, Seller will give preference to Buyer for all of the Products and Services in the Purchase Order.

## 16. LABOR CONTRACTS

Seller will notify Buyer in writing at least ninety (90) days before the expiration of its or its subcontractors' or suppliers' current labor contract or collective agreement that has not been extended or replaced, or as soon as Seller becomes aware of any actual or threatened labor strike or labor disruption to its or its subcontractors' or suppliers' operations with respect to the Products and Services in the Purchase Order. Buyer may thereafter direct Seller in writing to manufacture up to thirty (30) days of additional

inventory of Products, specifying the quantities of Products required and any packaging and storage requirements. By authorizing the additional inventory, Buyer commits to buy the entire quantity of conforming Products requested and produced. Seller is responsible for carrying costs and any additional costs of manufacture.

## 17. CUSTOMS, CERTIFICATES OF ORIGIN, EXPORT CONTROLS.

### 17.1 Customs, Export Licenses, Certificates of Origin.

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

### 17.2 Export Controls.

Seller will, and will cause its subcontractors and suppliers to, comply with all applicable export control laws and regulations. If any Products are to be imported into the United States of America, Seller will comply, and if requested by Buyer, certify its compliance in writing, with all applicable recommendations or requirements of the United States Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism ("C-TPAT") initiative.

## 18. AUDIT AND INSPECTION RIGHTS

### 18.1 Records.

- 18.1.1 While the Purchase Order is in effect and for two (2) years after its termination, Seller agrees to maintain accurate and complete records of all expenses incurred under the terms of the applicable Purchase Order, both before and after payment, and including records related to any amounts requested in any termination claim or transition support claim by Seller, regarding charges for tooling and equipment submitted by Seller against the Purchase Order, with respect to Buyer's purchase option for Seller's Property, or to demonstrate compliance with applicable laws and regulations.
- 18.1.2 Seller agrees to permit Buyer or its representatives to examine and/or audit the records described in Section 18.1.1 at reasonable times and through reasonable means while the applicable Purchase Order is in effect and for two (2) years after termination, and to cooperate with any such examination or audit.
- 18.1.3 If requested, Seller will provide or allow for inspection Seller's or its affiliated company's most current financial records and statements, forecasts, banking contacts and loan documents (if such affiliated company is involved in producing, supplying or financing any portion of Seller's provision of the Products and/or Services), including balance sheets, income statements and cash flow statements and related reports and data, and will make available its financial managers for discussion, to Buyer's Finance Controller. Buyer's Finance Controller may use records and



information provided under this Section only for the purpose of assessing Seller's ongoing ability to perform its obligations under the Purchase Order or with respect to credit terms. If Seller is a publicly-traded company, Seller will provide records under this Section at a time it is legally permitted to do so under securities laws and regulations or rules of applicable stock exchanges. If requested by Seller, Buyer will agree, in a form acceptable to Buyer, that Buyer's Finance Controller will not disclose Seller's records provided under this Section to Buyer's Purchasing personnel.

#### 18.2 Facilities, Operations, Tooling and Equipment.

Both before and after payment, Buyer or its representatives will have the right to inspect Seller's facilities, operations, tooling and equipment, and to conduct testing, at any time during Seller's business hours and upon reasonable notice for purposes of verifying Seller's compliance with its obligations under the Purchase Order, including but not limited to those relating to work performed, Seller's manufacturing process, tooling build process, materials, any of Buyer's Property, delivery, cost, and quality assurance systems, and Seller's compliance with applicable laws. Buyer's inspection of Products at Seller's facility will not constitute acceptance of any work-in-process or finished goods.

#### 18.3 Confidentiality.

Buyer agrees to keep confidential and not to disclose to any third party (other than its consultants, contractors and agents retained for the purpose of conducting examinations, inspections or audits under this Section 18) any of Seller's non-public business information, technical information, or products, marked or otherwise identified by Seller as confidential at the time of disclosure or within thirty (30) days of disclosure, that Buyer or its representatives observe, hear or receive during the examinations, inspections or audits permitted in this Section 18 ("**Seller's Confidential Information**"). Seller's Confidential Information does not include information that (a) is or becomes publicly available through no fault of Buyer, (b) is lawfully obtained from a third party without a duty of confidentiality, (c) was known to Buyer before its disclosure, or (d) is required to be disclosed by a valid court order.

#### 18.4 Remedial Actions.

If any audit conducted by Buyer pursuant to this Section 18 reveals that Seller is not in conformity with Buyer's specifications, Buyer's Principles of Conduct, Buyer's Supplier Principles of Conduct, Buyer's Supplier Manual, or, if applicable, Buyer's Tool Build Manual, or any other agreed upon standards, then (a) Seller will promptly take all measures identified by Buyer in writing within the time limits and under the conditions set forth by Buyer, (b) Buyer's willingness to allow Seller to cure the deficiencies identified in clause (a) will not constitute a waiver of any breach or claim arising from such non-conformity, and (c) Buyer may assert its right of setoff under Section 4.7.

### 19. INSURANCE

Prior to commencing work on Buyer's premises or utilizing Buyer's Property, Seller will maintain and upon request furnish to Buyer a certificate evidencing: (a) general liability insurance with coverage limits of at least \$1,000,000 USD per occurrence (or other greater amount noted in the most current version of Buyer's Supplier Standards Manual) to Buyer and naming Buyer as an additional insured; (b) all risk property perils insurance covering the full value of Buyer's Property and components or materials owned by Buyer while in Seller's care, custody, or control and naming Buyer as loss payee; and (c) workers' compensation insurance as required by law.

## 20. COMPLIANCE WITH LAWS

- 20.1 Seller will comply with (a) Buyer's Principles of Conduct, including, but not limited to, the requirement that Buyer's employees and suppliers behave ethically and not solicit, give or accept bribes, kickbacks, or inappropriate gifts or entertainment, (b) Buyer's Supplier Principles of Conduct, and (c) all applicable laws and regulations of the country and state where the Products are manufactured or delivered, or the Services are performed. Reference to specific areas of rules, laws, and regulations in this Section 20 will not excuse Seller's responsibility to comply with laws and regulations that are not specifically referenced.
- 20.2 Seller will not (a) utilize forced or involuntary labor, regardless of its form, (b) employ any minor, except as part of a government approved job training, apprenticeship or similar program, or (c) engage in abusive employment or corrupt business practices in the supply or provision of Products and/or Services under any Purchase Order.
- 20.3 Seller will not (a) directly or indirectly, pay, authorize or offer to pay, any monies, or provide, authorize or offer to provide anything of value or of advantage, in violation of the United States Foreign Corrupt Practices Act, and any applicable local anti-corruption or anti-bribery laws, Buyer's Principles of Conduct, and/or Buyer's Supplier Principles of Conduct, and (b) will not take any action that could cause Buyer's directors, officers or employees, or those of Buyer's affiliates, to be in violation of any anti-corruption or anti-bribery laws anywhere in the world.
- 20.4 Seller will ensure all Products and all purchased materials used in the manufacture of Products will satisfy constraints on restricted, toxic, and hazardous materials, as well as environmental, electrical and electromagnetic requirements, applicable in the country of manufacture and sale. Seller will comply with applicable laws and standards, and Buyer's requirements regarding labeling, handling and management of potentially hazardous materials prior to delivery on Buyer's premises, including, if applicable, providing Buyer with a Material Safety Data Sheet or reporting into the International Material Data System. If Products or Services are produced, delivered or sold within the European Union, and are intended to be incorporated into a vehicle, Seller agrees to comply with the current European Union End-of-Life Vehicle Directive and releases and will hold harmless and indemnify Buyer from any claims, including claims by third parties, resulting from Seller's failure to comply. Seller will, upon Buyer's request, provide Buyer with information reasonably required in order for Buyer to comply with all applicable laws in any jurisdiction requiring disclosure or restriction in the use of the composition, components, ingredients, materials, or substances of any Product, or in connection with its production, related to their toxic or hazardous nature, their ability to be recycled, whether they were produced using so-called "conflicts minerals" and whether they are compliant with laws relating to packaging, labelling or transportation. Any obligation Buyer may have to treat confidentially the information provided by the Seller under this Section 20.4 will not apply to the extent required for Buyer to comply with any reporting, certification, or similar requirement of a government or Buyer's customer (either mandated or voluntarily agreed upon by Buyer).
- 20.5 Seller will ensure that its sub-tier suppliers and subcontractors comply with the requirements of this Section 20.

## 21. RELATIONSHIP OF THE PARTIES

Buyer and Seller are independent contracting parties, and nothing in the Purchase Contract makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or to create any obligation on behalf of the other party. Seller covenants and agrees that it will perform its obligations under the Purchase Contract as an independent contractor and not as an employee

or agent of Buyer, that it will have sole liability for its employees' salaries, payroll taxes, injuries (including dismemberment and death), workers' compensation premiums, social security taxes, unemployment taxes, other applicable taxes, contributions, insurance and insurance premiums, and that it will indemnify Buyer and Buyer's customer against any loss that may result from Seller's failure to comply with such laws and obligations.

If the Purchase Contract is performed in the United States of Mexico, Seller expressly declares that it is and will be solely liable for the consequences, direct or indirect, that arises from any labor issues that arise between Seller and its hired workers while performing services under the Purchase Contract, including but not limited to, (a) payment of wage, (b) social benefits, (c) vacation time, (d) indemnifications set forth in the Mexican Federal Labor Law and its ruling, (e) Social Security Systems, (f) medical expenses due to labor accidents or professional diseases, (g) legal responsibilities under INFONAVIT, INFONACOT or with respect to taxes and (h) any other indemnification that must be paid for the injuries, temporary or permanent (including death) suffered by its employees or third parties. Even when Seller is performing services at Buyer's facilities, a Seller's employee will not under any circumstance be an employee of Buyer, and Buyer will not be liable for the conflicts that may arise between Seller and its workers. Seller is responsible and must attend all the individual or collective claims that its employees or workers present against it or against Buyer, will hold Buyer harmless from any such claim filed against Buyer and will reimburse immediately any legal or other expense incurred by Buyer in the event of such claim. If Buyer is sued by an employee of Seller for any cause, alleging that Buyer is the employer, mutually binding employer, or substitute employer of such personnel, whether in individual or collective trials or any other litigious or labor law procedure, Seller will be responsible and will hold Buyer harmless from such procedures, with the support of specialized attorneys in the corresponding discipline, which specialized attorneys may be chosen by Buyer at Buyer's sole discretion, and must pay such attorney's fees, as well as the claimed amount, if awarded. Seller agrees that any labor conflict with its workers or employers must not affect the facilities and general property of Buyer, and in such case, will take steps to protect Buyer's facilities and general property.

## 22. GOVERNING LAW, VENUE, LANGUAGE.

- 22.1 The Purchase Contract will be governed and construed according to the laws of the country, state or province in which Buyer is located, (and, for the avoidance of doubt, if the Buyer is Shape Corp. Czech Republic, s.r.o., according to the laws of the Czech Republic) excluding choice of law provisions that would require application of any other law, and excluding the United Nations Convention on Contracts for the International Sale of Goods.
- 22.2 Any action, litigation or legal proceeding arising out of the Purchase Contract will be brought exclusively in a court of competent jurisdiction where Buyer has its registered business address. Seller consents to jurisdiction in such court and waives and agrees not to raise any objection to proceeding in any such court, including an objection that the place where such court is located is an inconvenient forum.
- 22.3 Section 22.2 will not apply to Purchase Contracts to which the law of the People's Republic of China (excluding Hong Kong, Macao and Taiwan) applies. Instead, any action, litigation or legal proceeding arising out of the Purchase Contract and to which the law of the People's Republic of China applies will be first subject to consultation between the parties to attempt to settle the dispute, which, if not settled within thirty (30) days of written notice requesting such consultation, will be submitted to the Shanghai International Arbitration Center ("SHIAC") for arbitration before

a panel of three (3) arbitrators, to be conducted in the English language and in accordance with the SHIAC rules then in force. The parties acknowledge and confirm that the SHIAC arbitration award will be final and binding upon the parties, not subject to any appeal, will resolve issues related to costs of arbitration, and that a party's immunity power, if any, is waived. Judgment upon the arbitration award may be entered in any court having jurisdiction over the party against whom enforcement is sought or such party's property. This Section 22.3 will not preclude the parties from applying for any preliminary or injunctive or similar remedies available under applicable law for any purpose, including but not limited to securing the subsequent enforcement of an arbitration award.

- 22.4 Section 22.2 will not apply to Purchase Contracts to which the law of the Czech Republic applies. Instead, all disputes arising out of the Purchase Contract and/or in connection with it shall be finally decided with the Arbitration Court attached to the Czech Chamber of Commerce and the Agricultural Chamber of the Czech Republic by three arbitrators in accordance with the Rules of that Arbitration Court. The venue of arbitration will be Prague, the Czech Republic and the language of the proceedings will be English.
- 22.5 Regardless of Buyer's location, Buyer issues these Global Purchase Terms and Conditions in the English language but may provide translations into other languages for ease of use. To the extent there is any conflict in interpretation of the English language version and any translation provided by Buyer, the English language version will control, to the extent permitted by law in Buyer's location.

### 23. NO IMPLIED WAIVER; SEVERABILITY.

Buyer's failure to enforce any right or remedy provided in the Purchase Contract or by law on one occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy. A finding that any provision of the Purchase Contract is invalid or unenforceable in any jurisdiction shall not affect the validity or enforceability of any other provision of the Purchase Contract or the validity or enforceability of that provision in any other jurisdiction.

### 24. NOTICES; ELECTRONIC COMMUNICATIONS.

Any notice or other communication required or permitted in the Purchase Contract must be in writing delivered by hand, prepaid courier, or prepaid registered mail to the address shown on the face of the Purchase Order, or by e-mail with receipt confirmed to e-mail addresses specified by either party in writing, and will be deemed to have been received on the business day following the date of actual receipt. Seller will comply with the method of electronic communication specified by Buyer, including requirements for delivery of notice, document delivery, offer and acceptance, transmission of Purchase Orders and Releases, changes, electronic funds transfer, and electronic signature. If Buyer's location is in the State of Michigan, the parties agree that any document which bears a signature which is sent by the sender and received by the recipient via e-mail attachment in .pdf format shall constitute a legally valid document under the Michigan Uniform Electronic Transaction Act (MCLA 450.831 et seq.).

### 25. ENTIRE AGREEMENT; SURVIVAL.

The Purchase Contract contains the entire agreement of the parties with respect to the subject matter. Any additional or inconsistent term or condition contained in any document used by Seller in connection with the performance of the Purchase Contract will be of no effect. Seller's obligations under the Purchase Contract will survive expiration, termination, or non-renewal of any Purchase Order.