

General Terms and Conditions of Purchase for the SMP companies Samvardhana Motherson Peguform Automotive Technology Portugal S.A

I. Scope of Application

1. The following General Terms and Conditions of Purchase (hereinafter Conditions of Purchase) are applicable to the entire business relationship between Samvardhana Motherson Peguform Automotive Technology Portugal S.A. (hereinafter SMP) and their suppliers. They apply to the purchase of production materials, as well as the purchase of spare parts, tools, machines, systems or other products.
2. The Conditions of Purchase shall also be applicable to all future business relationships, irrespective of being expressly agreed once again.
3. Supplier General Terms and Conditions or other deviations from these Conditions of Purchase shall only become effective if they are confirmed by SMP in writing. These Conditions of Purchase shall also apply in case SMP, being aware of supplier conflicting or deviating conditions, accepts supplies or services from the supplier without reserve.

II. Orders

1. The SMP Iberica Group orders (hereinafter referred to as "SMP") shall be carried out exclusively on the basis of these General Purchase Conditions.

By means of this document all of the modifications on the part of supplier are expressly excluded. The General Purchase Conditions are valid also for all future business with the supplier.

2. Any modifications or additions to the order and job assignment, in particular of the supplied product, require the written confirmation of SMP.

3. SMP is authorized to reject orders that have not been accepted in writing during the course of 14 calendar days after shipping.
4. In the case of supply plans, the corresponding request is an integral part of the order. Deviating from item 1.3 above, call-off schedules become binding, unless the supplier objects in writing within two (2) days from their transmission.
5. Supplier shall confidentially manage completion of the contract. Supplier shall name SMP as reference to third parties exclusively with SMP's written approval.

III. Negotiation Clauses

1. For the negotiation clauses, the INCOTERMS (International Commerce Terms) are valid, by using the version current at the moment of signing of the contract.

IV. Supply deadlines

1. Supply deadlines and terms established in the supply order/plan are binding. It is decisive to comply with the deadlines and supply conditions when the merchandise enters SMP's Plant to be supplied. If the supply "free-work/DDP" (Incoterms 2000) has not been agreed, supplier shall punctually prepare the merchandise considering the normal time for freight and transportation.
2. If the supplier is in default due to the delivery date being exceeded, SMP shall be entitled to demand a contractual penalty of 0.5% for each week or part thereof, but not exceeding 5.0% of the order value. The right to assert claims for damages remains unaffected, however, the contractual penalty is to be offset against a claim for damages caused by the delay.
3. In case of delay on the part of supplier, SMP -after an additional time period has been set without any good result- may instruct the supplies that were not fulfilled by supplier, to a third party.
4. Additionally, the legal requirements are valid.
5. Supplier shall indicate immediately any threat of delay of supply, its duration and cause. The indication shall not impede the application of this clause.

V. Supplies

1. To each shipment a delivery note in duplicate shall be attached, which includes the information of the order (such as: delivery note number + order number + references to the SMP material). In case supplier does not comply with this obligation, it may cause delays and/or additional production costs. Supplier shall be liable for the consequences.
2. Unless otherwise expressly agreed upon, supplies carried out are without charge to the receiving plant, and are under the responsibility and risk of supplier.
3. The SMP packing instructions shall be taken into consideration (see Manual regarding the requirements of supplier).

VI. Prices

1. Prices agreed upon are fixed prices and it is understood, unless otherwise expressly stated, without charge to the receiving plant, including packing and insurance.

VII. Invoices

1. The invoices shall be sent in duplicate indicating the number of our order. Non-compliance of this obligation on the part of supplier may cause delays and/or additional production costs, and supplier shall be liable for such consequences.
2. In the case of foreign businesses a declaration by supplier that complies with the applicable legislation shall be indicated in the invoice. If this is not the case, a special indication is not required.

VIII. Payment

1. Payment made by SMP does not indicate acceptance of the invoice.

2. Provided that in the supply orders/plans other conditions have not been agreed upon, **SMP shall pay at 30 days and the day of payment shall be the 26th**, under the assumption that the goods and invoice have arrived correctly. In the case of accepting advance supplies, the expiration date shall be such date set out according to the supply time period agreed upon.

3. For punctuality of the payment the shipping is crucial.

IV. Written proof of origin, written proof of sales tax paid, export restrictions

1. Supplier shall immediately furnish SMP with the requested written proof of origin, including the required information, and duly signed. In the case of foreign or inter-company supplies the same is valid for written proof of sales tax paid.
2. Supplier shall immediately inform SMP if the supplies are subject to total or partial export restrictions according to Spanish or other legislation.

X. Quality and Documentation

1. Supplier shall be responsible to ensure that the products supplied to SMP, regardless of their nature, comply with Spanish law or any applicable law (such as RED Regulation), including, but not limited to, recognized technical regulations, safety provisions and others, agreed technical data (including ISO and DIN standards), as well as guaranteed characteristics (jointly referred to as "Applicable Regulations"). Modifications of the supplied product require previous acceptance in writing.
2. For the control of initial samples, please refer to the current manual VDA Volume 2 "Quality Assurance of Supplies - Selection of Suppliers / Quality Assurance Agreement / Release of the production process and of the product / Quality Compliance in the Series" and/or the PPAP "Process of Approval of the Production Part" of QS 9000.

Only after release of the samples on SMP's part, shall the series supply start.

Independent of that, supplier shall continually verify, and optimize quality of the supplied products. The contracting parties shall mutually inform one another of the possibilities of quality improvement.

3. In case the type and range of the controls have not been established, as well as means and methods of control between supplier and SMP, SMP shall be in a position at the request of supplier within the framework of its knowledge, experience and possibilities, to discuss with supplier the controls in order to reach the required technical level.

4. In the case of the parts marked "D", "A", "Control Item" in the technical documents or in special agreements, supplier shall establish in special reports when, in what form, and who verified the supplied products in regard to the characteristics with obligation of documentation, and which has been the outcome of the required quality. The control documents shall be kept for a period of 15 years after the parts supply, and if necessary, shall be delivered to SMP. Supplier shall obliged sub-suppliers to comply with the same scope in the framework of their legal possibilities. Reference is made to the current VDA standard "Volume 1 Documentation and Archiving - Code of practice for the documentation and archiving of quality requirements and quality records" and to the VDA publication "Special characteristics (SC) / A process description covering special characteristics (SC)".

5. Complementary to the Conditions of Purchase, the provisions of the "Global Supplier Manual" shall be an integral part of all supply agreements between SMP and its suppliers. In case of contradicting provisions, the provisions of the "Global Supplier Manual" shall prevail the provisions of the General Terms and Conditions of Purchase.

6. Without request, supplier within the framework of the Used Vehicle Directive (2005/64/CE Directive) shall provide documentation of the raw materials used, in a complete manner, and free of charge for SMP in the official IMDS data bank.

7. As far as authorities responsible for vehicle safety emissions regulations or similar are responsible for reviewing certain requirements and request insight into the SMP production process and inspection documents, the supplier declares to grant these authorities the same rights in its company and to give every reasonable support.

XI. Complaints related to quality defects/Guarantee

1. Based on the control of supplier goods issue, supplies are controlled by SMP upon goods receipt in relation to the identity, reference number and any recognizable external transportation damage. Additionally, any supply defects, discovered pursuant the adequate corporate procedures, shall be indicated immediately to supplier. Supplier waives objection of delay in the complaint of defects.

2. The guarantee validity period is 36 months, starting with the supply to SMP, unless anything to the contrary has been agreed upon in the contract.

3. Without any restrictions SMP shall have all the legal rights of the guarantee. Independently, it shall be authorized to decide -at its discretion- that the supplier eliminate the defects or supply replacement parts. In this case any costs associated with the elimination of the defects or to replace the parts shall be borne by supplier. The right to compensation for damages remains intact. Any such costs that are invoiced to SMP in the case of defective deliveries due to warranty agreements between SMP and the customer shall also be deemed to constitute a damage.

XII. Product Liability

1. Under no circumstances and in any respect SMP and/or any natural or legal person linked to SMP will be responsible for any type of damage or prejudice that may result from the supplier's failure to comply with the aforesaid legislation and set of rules applicable to the supplied products ("Applicable Rules"), regardless of the product's nature. This shall not affect any further contractual or legal liability of the supplier.

2. As a means of protection for SMP against damages, for example the picking up of products, supplier shall be liable provided that it is legally obliged.

3. SMP shall inform supplier immediately if it wishes to present complaints according to the preceding paragraphs. SMP shall give supplier the opportunity to examine the damages case and agree with SMP the actions that shall be implemented, for example, compensatory negotiations.

XIII. Third Party Rights Protection

1. Supplier ensures that the goods supplied in the country of destination shall be free of rights or demands of third parties based on industrial or intellectual property. These include (but are not limited to) naming rights, patent rights, utility rights or registered design rights as well as copy rights (collectively named IPR). The supplier shall be liable for claims arising from the violation of such IPR and IPR registrations despite the delivery items being used in accordance with the contract.

The country of destination shall be considered the country where SMP has its headquarters, provided that another supply address has not been indicated. Supplier cannot rely on that SMP knew the existence of rights or claims of third parties in the country of destination.

2. In the event SMP receives claims related to industrial or intellectual rights, SMP shall not lose its rights if it does not inform supplier of such claim.

3. The supplier shall indemnify and hold harmless SMP from all claims arising from the use of such IPR.

4. This shall not apply in case the supplier has manufactured the delivered goods according to drawings, models or other equivalent descriptions or information provided by SMP and does not know or need to know that property rights are being violated in connection with the products developed by the supplier.

5. The contracting parties commit themselves to inform each other on all risks of violation or alleged violations and to give each other the opportunity to jointly oppose such claims.

XIV. Methods of Production, Plans, Conception Documents, Molds

1. The plans and other documents, devices, models, molds and other methods of production lent to supplier, shall remain the property of SMP. Property of molds and other means of production paid for by SMP shall be transferred to SMP. This shall be carried out by means of a separate agreement or a special agreement for molds.

2. Without previous approval from SMP the aforementioned objects shall not be scrapped nor made available to third parties, for example, for production. Neither shall they be utilized for any purpose not contractually agreed upon - i.e., the supply to third parties. They shall be carefully guarded for SMP during the execution of the contract on the part of the supplier and at its charge.

3. The care, maintenance, and renovation of pieces of the aforementioned objects is based on the agreements reached between SMP and supplier.

4. SMP reserves all rights to the plans or products prepared according to its provisions, as well as over the procedures developed by SMP. Supplier shall make available immediately to SMP in this context all the information and documentation necessary for the request of rights of industrial protection.

XV. Force Majeure/Cancellation

1. In the event of Force Majeure, strike, blockage or considerable disturbance to the company, SMP is authorized, with consideration to the interests of supplier, to terminate the contract partially or completely without indemnity or to postpone the acceptance of supplies or service rendering.

2. The same is applicable when supplier is insolvent, has initiated insolvency proceedings or similar action regarding its property according to the law applicable to supplier, or there is a notable deterioration of supplier's assets.

3. In the case of rescission -for whatever legal reason- SMP shall always be authorized to return the supplies on the account and at the risk of supplier or store them with a third party.

XVI. Reserving the Right of Property

1. When SMP makes available pieces to supplier, it always reserves its right of property.

Supplier shall carry out the mechanization or transformation for SMP. In the case of transformation or mixing, SMP shall receive the jointly owned property of the new products in proportion to the value of the product that belongs to SMP with the value of the transformed objects upon such transformation.

XVII. Compensation/Right of Retention

1. Supplier shall only be able to make compensation for the reciprocal undeniable demands, with legal value and effect, and shall have the right of retention if it is based on reciprocal, undeniable demands, with legal value and effect.

2. We are authorized to make compensation for all debts, including bills of exchange, and checks of supplier in regard to us.

XVIII. Governing Law/Contractual Language/Severability clause/Place of compliance

1. For all of the judicial relations between the contracting parties Portuguese Legislation shall apply. The language of the contract is first and foremost English.

2. If any provision of this Agreement shall be held invalid, the validity of the remaining provisions shall not in any way be affected thereby.

3. The place of compliance for the supplies is the corresponding receiving plant. The place of compliance for the obligations of payment is Lisbon, Portugal.

XIX. Jurisdiction

1. For all conflicts arising from this Agreement, if supplier is a merchant, a corporation of the public law or of public-judicial wealth, the jurisdiction is exclusively the Courts in Lisbon.

SMP IBERICA Group, December 2020

(VALID FOR THE REMAINING MATERIALS AND SERVICES)

A. General provisions

1. For all of the business relationships the following General Purchase Conditions (General Business Conditions; hereinafter called Purchase Conditions) of SMP IBERICA Group, limited to suppliers that upon signing of the contract exercise their corporate or individual business activities.
2. The Purchase Conditions of SMP are also valid for all future business relationships including if they are not expressly and newly agreed upon. No general business conditions of the supplier shall be acknowledged which deviate from these Purchase Conditions.
3. Any deviations of these Purchase Conditions are only valid if they are approved in writing by SMP. These Purchase Conditions are also valid if SMP accepts without reservation the supplies delivered by supplier with the knowledge that opposing conditions exist and they deviate from the Purchase Conditions.
4. All covenants reached between us and supplier with the purpose of executing this Agreement shall be in writing.

B. Offers, Offer Documents

1. Supplier is bound to accept the order from SMP during a two-week period, unless other time periods of acceptance have been agreed upon in specific cases.
2. SMP shall retain the rights of property and of authorship of sketches, plans, calculations and other documents. All documents that SMP has made available to supplier in the framework of execution of the offer and/or of the contractual cooperation are only loaned and shall not be made available or lent to third parties without the previous written approval of SMP. They may only be used for manufacturing pursuant to SMP's order, and once the order is completed, they shall be returned without any request whatsoever. In regard to the obligation of confidentiality, the current provisions apply.

C. Prices, Invoices, Payment Conditions, Cession

1. The price indicated in the order is binding. Unless something to the contrary has been agreed upon, the supply "free work/DDP" (Incoterms 2000) includes packaging. The return of packing material requires a special agreement.
2. The Value Added Tax is included in the price.
3. The purchase price, except in the case of another written agreement, **shall be paid in 30 days and day of payment is the 26th.**
4. The invoices shall indicate the order number according to the regulations of SMP in the order. Supplier shall be responsible for all consequences that arise from non-compliance of this obligation, if supplier cannot prove that such non-compliance was not imputable to it.
5. Supplier exclusively shall be authorized to make compensation for undeniable, reciprocal demands, with legal value and effect, and shall make use of the right of retention if it is based on undeniable, reciprocal demands, with legal value and force.
6. Customer is authorized to pay all debts to the supplier, including bills of exchange and checks.
7. Without the previous written consent of SMP, which cannot be refused unjustly, supplier shall not be authorized to assign or transfer debt with customer to third parties. In the case of reserving the right to property, the approval shall be deemed granted. In the case in which supplier transfers its debt with customer to a third party in contrary to item 1 without approval, the cession shall be deemed also valid. Customer can comply with its duty –at its judgment- with supplier or the third party.

D. Supply time period

1. The time period for supplies indicated on the order is binding.
2. Supplier undertakes to inform SMP immediately in writing if there are circumstances which could impede compliance of the supply time period.

If the supplier is in default due to the delivery date being exceeded, SMP shall be entitled to demand a contractual penalty of 0.5% for each week or part thereof, but not exceeding 5.0% of the order value. The right to assert claims for damages remains unaffected, however, the contractual penalty is to be offset against a claim for damages caused by the delay.

3. In the case of strike, blockage, disturbances or circumstances out of the control of SMP that influence SMP's interest in the service of supplier, SMP shall be authorized to terminate the Agreement partially or completely or to request an extension to such supply time period. No claims shall be lodged against SMP.

E. Supply Documentation

1. Supplier is bound to indicate SMP's order number in all of the shipping documents, and delivery notes; in the case of omission, SMP shall not be liable for any management delay.

F. Inspection of Defects

SMP undertakes to verify the goods within a reasonable time period with regard to quality and quantity; the claim for defects shall be considered timely if supplier has received it within 5 business days starting from the date of reception of the goods, or in the case of hidden defects upon discovery of such defect.

G. Responsibility for the defects

1. SMP has all legal rights over the responsibility for defects in a limited form. SMP shall be authorized to demand of supplier -at its judgment- elimination of the defects, or supply of a product without defects, at the charge of supplier. Rights are expressly reserved concerning the compensation for damages, in particular the right to indemnification in the place of rendering service.
2. The period of warranty shall be 36 months from the date of delivery to SMP, unless stipulated otherwise in the contract.

H. Product Responsibility, hold harmless, Civil Liability Insurance

1. Provided that supplier is responsible for the defect of a product, supplier shall be bound to hold SMP harmless from and against any and all liability from claims of damages of third parties, since such cause is under its control, and organization, and supplier is also liable.
2. Within the framework of its liability for cases of damages in the sense of item 1, supplier is bound to reimburse all of SMP's costs, resulting from and in the context of an action of picking up products carried out by SMP. SMP shall inform supplier, always and when it is possible and demandable, about the contents and the scope of the measures to be implemented for the action of picking up the products, and shall give the opportunity to express its opinion. All other legal rights remain intact.
3. If SMP receives a claim for a defect of a product delivered by supplier, it shall have the right of indemnification on the basis of all the scope; there exists only one exception, if SMP previously accepted compensation equal to the right of indemnification.
4. Supplier undertakes to obtain civil liability insurance to guarantee such rights and to give proof of such insurance if SMP requests it.

I. Reservation of Rights of Property, Molds, Confidentiality Obligations

1. Always when SMP provides parts to supplier, it reserves its right of property. Supplier shall carry out such transformation or modification for SMP. If the goods are transformed with objects that do not belong to SMP, SMP shall receive the co-property of the new product in the proportion of the value of the initial goods (purchase price + value added tax) with the objects transformed upon such transformation.
2. If the product made available by SMP is mixed without separation from other objects that do not belong to SMP, SMP shall receive the co-property of the new object in the proportion of initial value (purchase price + value added tax) with the mixed objects upon such mixture. If the mixture is carried out in a way that the supplier's product is considered the main object, then it shall be considered agreed upon that supplier shall transfer to SMP the co-property proportionally; supplier shall guard the sole property or co-property for SMP.
3. In regard to molds, devices and other objects lent to supplier for production (hereinafter called "Molds"), SMP reserves its right of property; supplier is bound to use such molds exclusively to manufacture the products requested by SMP. Supplier undertakes to insure the molds belonging to SMP for its new value and to the charge of supplier, against fire, water and theft. Supplier assigns SMP all the rights of indemnification under such insurance and SMP accepts them. Supplier is bound to perform in a timely fashion all maintenance, and inspection works, as well as any overhauling, and preparation works on the molds property of SMP. Supplier is bound to inform SMP immediately of any flaws, if not, claims for damages remain intact.
4. Supplier undertakes to treat in a strictly confidential manner (see P-40-35-0-F25, Confidentiality Statement) all sketches, plans, calculations and other documents and information received. Supplier may only make them available to third parties with the express approval of SMP. The obligation of confidentiality shall also be in effect once the contract is completed, and it prescribes if the information of production, including sketches, plans, calculations and other documents provided are now of public domain.
5. If SMP, according to item 1 and/or 2 with respect to the safety rights, exceeds more than 10% the purchase price of the goods still not paid, SMP shall be bound to release the security rights upon request on the part of supplier.

J. Jurisdiction, Place of Compliance, Severability clause

1. The place of compliance of the contractual obligations with SMP (in particular for payments) is its business headquarters.
2. The competent Courts shall be those located at the business headquarters of SMP. SMP also may opt for other competent Courts.
3. Portuguese law applies for these Purchase Conditions and all the legal relations between SMP and supplier. Portuguese/English shall be the language of the negotiation of this contract.
4. If any contractual provisions of this Agreement shall be held to be invalid, the validity of the remaining provisions shall not in any way be affected thereby.

SMP IBERICA Group, December 2020