

1. Scope of Application .....	2
2. Orders .....	2
3. Modifications initiated by MotherSON .....	2
4. Modifications initiated by Supplier .....	2
5. Quantity .....	2
6. Packaging, Marking, Shipping .....	3
7. Customs, Certificates of Origin, Value Added Tax Certificates, Export Restrictions .....	3
8. Delivery .....	3
9. Transfer of Ownership and Risk.....	4
10. Prices.....	4
11. Invoices, Payment.....	4
12. Setting-off .....	5
13. Quality .....	5
14. Competitiveness .....	5
15. Audit .....	5
16. Documentation .....	6
17. MotherSON's Property.....	6
18. Supplier's Property .....	7
19. MotherSON's Tooling.....	7
20. Warranty.....	8
21. Product Liability .....	9
22. Service and replacement parts.....	9
23. Intellectual Property Rights .....	9
24. Subcontracting, Assignment, Customer Requirements.....	9
25. Confidentiality .....	10
26. Insurance .....	10
27. Term and Termination .....	10
28. Force Majeure.....	11
29. Information Security .....	11
30. Personal Data.....	12
31. Corporate Social Responsibility and Sustainability.....	13
32. Miscellaneous .....	13

### 1. Scope of Application

1.1 The following European MotherSON Automotive Terms and Conditions of Purchase (“T&Cs”) are applicable to the entire business relationship between any European MotherSON group company (“MotherSON”) and its suppliers (“Supplier”). They apply to the purchase of production materials for the purposes of MotherSON’s own serial production, as well as to the purchase of spare parts, tools, machines, systems or other products or equipment and the associated services (hereafter “the Products”).

1.2 These T&Cs shall also be applicable to all future business between the parties, even if not expressly agreed once again. Any Supplier general terms and conditions or any deviations from these T&Cs are excluded, unless they are confirmed by an authorized MotherSON representative in writing. These T&Cs shall also be deemed to be automatically applicable upon commencement of work on the Products or shipment of such Products or MotherSON’s acceptance of any shipped Products, even if MotherSON is aware of Supplier conflicting or deviating conditions.

### 2. Orders

All orders placed by MotherSON shall be subject to these T&Cs as well as to any other agreement additionally concluded and executed by and between the parties. Any modifications and amendments to any order constitute a new offer, and as such need to be accepted by MotherSON in writing. Unless otherwise agreed between the parties, an order shall become binding upon Supplier 5 days following its issuance, even in the absence of explicit acceptance by Supplier. Notwithstanding the foregoing, if Supplier fails to accept an order in writing within 5 calendar days after it was issued by MotherSON, MotherSON shall have the right to revoke the order. All enquiries of MotherSON with Supplier about Supplier’s Products and terms of their supply or MotherSON’s requests for quotations by Supplier do not legally bind MotherSON in any way.

### 3. Modifications initiated by MotherSON

MotherSON may, at any time, request any changes, additions or alterations in the quantities, destination(s), specifications, drawings, manufacture, design or delivery schedules related to the Products. If any such changes affect Supplier's costs or timing, MotherSON may, at any time, adjust the price or time for performance. If any such change results in a decrease in Supplier's direct costs, the price of the Products may, at MotherSON's discretion, be adjusted accordingly. Any request or claim by Supplier to MotherSON arising under this Section in relation to any adjustment in price or terms shall be made promptly following the corresponding adjustment by MotherSON. Any adjustments in price or terms hereunder must be in writing and signed by an authorized MotherSON representative.

### 4. Modifications initiated by Supplier

Supplier will not make any change to the design, manufacturing process, PPAP or PCN process, manufacturing location(s), raw materials, subcontractors, purchased components or parts, packaging, marking, shipping methods and/or the date or place of delivery of the Products without MotherSON's prior written approval.

### 5. Quantity

5.1 Except for the firm Products quantities ordered by MotherSON, MotherSON shall have no obligation to purchase any specific quantity or volume of the Products. MotherSON may provide Supplier with estimates, forecasts or projections (“Estimates”) of its or its customers’ future volume or quantity requirements for the Product. These Estimates are not a commitment by MotherSON to purchase the quantities specified in the Estimates, and therefore do not constitute a binding obligation to purchase. Supplier acknowledges that Estimates, like any other forward-looking assumption, are based on a number of economic and business factors and variables, some or all of which may change over time, and may or may not be accurate at the time they were made or later.

5.2 Supplier shall ensure the delivery of the Products is in line with the quantities ordered by MotherSON. In case of non-compliance with the ordered quantities of the Products, MotherSON shall have the right, without prejudice to any rights set forth in these T&Cs, to: (i) accept the delivery, even with the incorrect quantities, and change the quantities of future orders accordingly in case it is deemed to be necessary; or (ii) reject the quantity in excess, with over shipments to be returned to Supplier at Supplier’s sole risk and expense, and with the stock costs to be charged to Supplier; or (iii) request Supplier to immediately deliver any missing quantity of the Products, it being agreed and understood that any additional costs or expenses resulting from the necessary immediate replenishment of the missing quantities shall be charged to Supplier.

## **6. Packaging, Marking, Shipping**

6.1 Supplier will properly and safely package, label, mark and ship the Products in accordance with all applicable packaging standards and, as appropriate, the carrier transporting such Products and/or the law and regulations of the country of destination. Supplier will reimburse Motherson for all expenses incurred as a result of any improper packaging, marking, routing, or shipping of the Products.

6.2 Every packaging unit must display on the outside in legible form any and all notices as may be required according to applicable regulations, notably those pertaining to transportation, as well as any special handling or storage instructions. Packaging notices must also specify the order number, the batch number, a description of the Products, the names and addresses of the shipper and receiver, the number of units contained, and the gross and net weight of the package. The delivery must be accompanied by a delivery note as well as by any safety data information sheets, if and as applicable.

6.3 If Supplier fails to meet an agreed delivery date, Motherson may require shipment of any of the Products by a more expeditious method of transportation, and Supplier will bear the cost of such transportation in any such event. It is Supplier's sole responsibility to comply with the shipping instructions provided by Motherson or by Motherson's customer. Supplier shall pay any and all costs incurred by Motherson as a result of Supplier's failure to comply with the shipping or delivery requirements, including costs charged by Motherson's customers. Supplier will continue to work on recycled packing solution if technically and commercially feasible

## **7. Customs, Certificates of Origin, Value Added Tax Certificates, Export Restrictions**

7.1 Supplier shall comply with all applicable customs-related laws and governmental agency rules and regulations related to the import and export of the Products, including, but not limited to, those related to documentation and invoicing, free trade agreements, country of origin marking or labelling, local content requirements and cargo security. Any and all benefits and credits resulting from Supplier's performance under an order issued by Motherson, including but not limited to trade credits, export credits, customs drawbacks, and rebates of taxes and fees, shall accrue for the benefit of Motherson, unless otherwise stated in an order or prohibited by applicable law.

7.2 Supplier shall immediately provide Motherson with the duly signed certificates of origin upon request by Motherson, including all required information. The same applies to all value-added tax certificates in case of foreign and intra-community (EU) deliveries.

7.3 Supplier shall immediately inform Motherson if a delivery is wholly or partly subject to export restrictions under any applicable law.

## **8. Delivery**

8.1 The delivery period and delivery date stated in the orders or delivery schedules issued by Motherson are binding. Compliance with any delivery date or period shall depend and be based on the moment of receipt of the Product by the receiving Motherson plant or to the address designated by Motherson, during regular normal working hours. If delivery EXW is agreed, Supplier shall make the Product available to Motherson in due time, considering the usual time required for loading and dispatch.

8.2 Supplier shall inform Motherson immediately about any impending delay in delivery, including the estimated duration of the delay, the estimated time of actual delivery, and the reasons giving rise to such delay. The provision of this information by Supplier and its reception by Motherson shall not be deemed to be understood as any kind of waiver by Motherson in regard to its rights and entitlement as set forth in these T&Cs.

8.3 Supplier is obliged to compensate Motherson for any damage caused by any missed or delayed delivery to the fullest extent permitted by law.

8.4 In the event that Supplier is in default due to the delivery date having been exceeded, Motherson will be entitled to demand a contractual penalty equivalent to 0.5% of the corresponding order value for each week of delay (including partial weeks), but which total penalty amount shall not exceed 5.0% of the corresponding order

value. In addition, Motherson may recharge the penalty amounts levied by the customer on Motherson due to this delay. Motherson's right to assert claims in relation to any other damages shall remain unaffected

8.5 In addition to the foregoing, in case of delays in delivery by Supplier, Motherson shall have the right to:

- (i) procure elsewhere, at any time, in whole or in part, the Products ordered, at Supplier's cost and risks, with the sole obligation of notifying the Supplier; and/or,
- (ii) if the missing or delayed delivery causes an interruption of production or incompleteness of Motherson's product, charge Supplier the consequent costs, including fixed costs and labour costs associated with labour that was not utilized and/or additional labour as may have been necessary for the recovery.

8.6 All the above does not prejudice Motherson's right to claim for compensation in relation to any additional damage incurred, including in the event that Supplier's missing or delayed delivery jeopardizes Motherson's ability to comply with any contractual commitments towards its customers.

8.7 Motherson is not obliged to accept, and may elect to either store or return to Supplier, any over-shipments, early deliveries, late deliveries and partial deliveries at Supplier's sole risk and expense, including but not limited to any and all packing, handling, sorting, and transportation related costs. Early deliveries will not lead to early payments of the Products. Motherson may at any time request Supplier to change or temporarily suspend shipping schedules as specified in an order, release or any other written instructions, which shall not entitle Supplier to modify the price for the relevant Products.

8.8 Unless expressly otherwise agreed, all deliveries are to be made DAP (ICC Incoterms® 2020).

### **9. Transfer of Ownership and Risk**

9.1 Unless otherwise expressly agreed by the parties, the ownership of the Products shall be transferred to Motherson upon their receipt and visual acceptance by Motherson at the agreed destination. Accordingly, unless otherwise expressly agreed, the risk of loss or damage related to the Products shall be transferred to Motherson upon receipt and formal acceptance of the Products at the agreed destination.

9.2 In case the Products are delivered in consignment stock, the transfer of ownership shall be deemed to happen at the time of the withdrawal of the corresponding Products from the warehouse.

9.3 Any retention of title clause inserted by Supplier in any documents shall be deemed to be not accepted by Motherson.

### **10. Prices**

10.1 The Products shall be furnished at the mutually agreed price. Supplier warrants that the price stated in the order, or otherwise agreed in writing by the parties, corresponds to a full price including storage, handling, packaging, taxes and any other charges and expenses, and no additional charges of any type shall be added on top of the agreed price without the express written consent of authorized Motherson representative.

10.2 Any request for a price adjustment must be submitted by Supplier in writing and supported by documentation to substantiate the requested adjustment. Supplier further agrees that it will not withhold or threaten to withhold Products shipment while the parties are negotiating pricing.

10.3 Supplier represents and warrants that the prices for the Products are, and will remain, no less favourable to Motherson than any price that Supplier currently, or in the future, offers to any other customer for the same or similar products and for similar quantities. Motherson shall receive the full benefit of any and all discounts, refunds, rebates, credits, allowances, favourable payment terms, and any other financial incentives or beneficial payment terms of any kind customarily offered by Supplier to any of its customers. In the event Supplier offers a lower price for the same products and/or for any similar products to any other customer during the term of the order, Supplier agrees to immediately reduce the prices for the Products to Motherson correspondingly.

### **11. Invoices, Payment**

Supplier shall promptly submit correct and complete invoices in duplicate referencing the date of delivery as well as Motherson's order number, Supplier code and part number. All invoices must be accompanied by appropriate

supporting documentation and any information as may be reasonably required by Motherson following the delivery of Products. Motherson may withhold payment until a correct and complete invoice and any other required information has been received and verified by Motherson. If no payment term appears in an order, Motherson will pay Supplier for the Products by the 45<sup>th</sup> day end of month following the receipt of Supplier's corresponding invoice. Supplier shall accept payment by electronic funds transfer. Self-invoicing when accepted in the corresponding jurisdiction and agreed amongst the Parties or used by Motherson's Client will be fully accepted and preferentially used as invoicing method. Other modes of payment need to be agreed specifically between the Parties in order to be applicable.

### **12. Setting-off**

12.1 Motherson shall be entitled to offset any of its claims against receivables of Supplier, and/or against any receivables that are or may be assigned by Supplier to any third party. Motherson may convert its receivables at the day rate of the offset to the currency of Supplier's receivables.

12.2 Supplier may only offset against agreed, legally established or adjudicated counterclaims.

### **13. Quality**

13.1 Supplier represents and warrants that it will comply in all respects, and will cause its subcontractors and suppliers to comply in all respects, with Motherson's quality requirements and procedures as may be amended or updated from time to time.

13.2 Supplier, as a fully competent expert in the design, development and/or manufacture of the Products, will promote continuous improvement in its quality, manufacturing and logistics processes in compliance with the international state of the art for the automotive industry and with any applicable laws and/or regulations in force in each country where the Products shall be manufactured, used or sold.

13.3 In particular, Supplier will comply with Motherson's quality control standards and inspection systems, as well as related standards and systems (including without limitation, Motherson's and Motherson's customer's quality control policies, IATF 16949:2016, ISO 9001:2015 and DIN standards). Supplier will participate in any supplier quality programs of Motherson and Motherson's customers that may apply to the Products described in an order.

13.4 Supplier agrees to meet the full requirements of industry Production Part Approval Processes ("PPAP") or any similar applicable approval processes as specified by Motherson and/or Motherson's customers, and agrees to present evidence of compliance to Motherson upon request.

13.5 Supplier shall be required to successfully enter all required bill of material and material composition data into the International Material Data System ("IMDS") or into a Motherson-approved alternative system prior to prototype submission, initial PPAP and PPAPs for subsequent design changes. Failure to successfully submit all information required by the IMDS or Motherson-approved alternative system will prevent Supplier from receiving PPAP approval. Supplier also agrees to meet the full requirements of directive 2000/53/EC of the European Parliament and of the Council (End-of-life-vehicle-directive), the Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 (REACH) and their amendments as specified by Motherson and Motherson's customers.

13.6 Supplier agrees to meet the full requirements of Motherson's Electronic Data Interchange ("EDI") standards and Web EDI requirements as specified in Motherson's relevant standards and procedures.

### **14. Competitiveness**

Supplier shall at all times remain competitive in price, quality, performance and fulfilment of its obligations with Motherson. If Supplier's Products are not competitive with similar products in similar quantities, Motherson shall be entitled to re-source any or all Products to a more competitive source without being obliged to pay any compensation to Supplier.

### **15. Audit**

15.1 Motherson may inspect, directly or through any third parties, the Products during any stage of their manufacture, construction, preparation, delivery or completion process. Accordingly, Motherson and

Motherson's customers shall have the right to enter Supplier's premises at reasonable agreed times to inspect the facility, supplies, materials and any of Motherson's Property covered by an order. Supplier agrees to provide any and all supporting documentation as may be required by Motherson or by Motherson's customers in the course of such inspection. At Motherson's request, Supplier shall submit production and quality test reports and related data. In addition, at Motherson's request, the Supplier shall make its best efforts to cause its own suppliers to allow Motherson and Motherson's customers to perform similar inspections and audits at the subcontractors' facilities.

15.3 Motherson's inspection of the Products shall not, under any circumstance, be deemed to be a waiver with respect to breach of Supplier's warranties, latent defects in the Products or Supplier's misrepresentations, nor shall it imply any acceptance of the Products.

15.3 As far as authorities responsible for vehicle safety emissions regulations or similar regulations are responsible for reviewing certain requirements and request insight into Motherson's production process and inspection documents, Supplier shall grant these authorities the same rights referred to under Section 15.1 above and provide every reasonable support.

15.4 Supplier grants to Motherson access to all pertinent financial and operational information relating to any of Supplier's obligations under a Purchase Order and Supplier's financial viability. Motherson will have the right at any reasonable time to send its authorized representatives to examine all such information. Supplier shall maintain all pertinent information relating to a Purchase Order for a period of at least four years after completion of services or delivery of Products pursuant to that Purchase Order.

### **16. Documentation**

16.1 In the event that the Products are subject to regulatory standards, in particular but not limited to any standards set by applicable law or by regulatory, administrative or jurisdictional order or decree that may apply to the design, production, sale or distribution of the Products, Supplier shall make available and shall cause its suppliers to make available to Motherson any documentation concerning:

- (i) the qualification and/or homologation of the Products; and
- (ii) the manufacturing processes as may be required to indicate the methodologies applied, the results obtained from the testing and homologation activities, and the individuals responsible for the same.

16.2 Such documentation shall be retained by Supplier for at least 15 (fifteen) years following the phase-out (manufacturing termination) of each Product, and a copy of such documents shall be delivered to Motherson upon Motherson's request.

### **17. Motherson's Property**

17.1 The right, title and interest in and to all materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, tooling, designs, drawings, specifications, spare parts, trial parts, ancillary products, dunnage, racks, containers, and any other type of items owned and/or furnished by Motherson to Supplier for use in the manufacturing the Products, or for which Supplier has been paid or otherwise reimbursed by Motherson, shall be and remain the sole property of Motherson ("Motherson's Property").

17.2 Whenever Supplier is paid or otherwise reimbursed by Motherson, all right, title, and interest in and to any Motherson's Property shall pass to Motherson upon acquisition or fabrication in accordance with the relevant order or any other written documentation issued by Motherson in relation to such Motherson's Property.

17.3 Supplier shall bear the risk of loss and damage to Motherson's Property. Supplier must:

- (i) properly store and maintain Motherson's Property on Supplier's premises;
- (ii) not use Motherson's Property for any purpose other than for its performance under an order;
- (iii) prominently mark Motherson's Property as property of Motherson or as the property of Motherson's customer as the case may be;
- (iv) not commingle Motherson's Property with the property of Supplier or with that of a third party;
- (v) adequately insure Motherson's Property against loss or damage, including but not limited to maintaining full fire and extended insurance coverage for the corresponding replacement value in full, naming Motherson as an additional insured party on such policies;

- (vi) take any and all reasonable steps to ensure that Motherson's Property does not become subject to any liens or other claims; and
- (vii) not move Motherson's Property neither within its own, nor to a different location, whether owned by Supplier or a third party, without the prior written consent of authorized Motherson representative.

### **18. Supplier's Property**

18.1 Supplier shall, at its own cost and expense, furnish, keep in good working condition (capable of producing the Products meeting all applicable specifications and warranties), and replace when necessary, all machinery, equipment, tools, dies, jigs, fixtures, gauges, dies, molds, patterns, software including source code, purchased components or parts, intellectual property and other items that are not Motherson's Property and that are necessary for the production of the Products ("Supplier's Property"). Supplier shall insure Supplier's Property with full fire and extended insurance coverage for the corresponding replacement value in full.

18.2 If Supplier uses Supplier's Property to produce goods or services similar to the Products for other customers, including aftermarket customers, such goods or services shall not incorporate or utilize any of Motherson's Intellectual Property Rights (as such term is hereinbelow defined under Section 17.1).

18.3 Supplier grants to Motherson an irrevocable option to take possession of and hold title to Supplier's Property that is necessary for the production of the Products in Motherson's sole judgment, upon payment to Supplier of the lesser of (i) the outstanding unrecovered capitalization (recovered in piece price or otherwise) or (ii) the fair market value of Supplier's Property at the time Motherson exercises the option. Motherson may exercise this option at any time. In the event of termination or expiration of an order, and upon such exercise by Motherson, Supplier shall cooperate with Motherson's removal of the property from Supplier's premises. This option shall not apply in relation to Supplier's Property that is used by Supplier to produce goods that are part of the standard stock of Supplier, or if a substantial quantity of similar Products are being sold by Supplier to third parties.

### **19. Motherson's Tooling**

19.1 Upon the issuance by Motherson of a tooling purchase order ("Tool Order"), Supplier shall design and fabricate, rework or acquire (from such sources with regard to whom Motherson has provided prior approval), and install all tooling described in such tooling purchase order ("Tooling"), subject to the terms and conditions contained herein and as may be further specified in the corresponding tooling frame agreements, if applicable.

19.2 In the event Motherson issues a Tool Order, all right, title, and interest in and to any part of the Tooling, including any and all designs, drawings, specifications, technical data (such as CAD-data), spare parts, trial parts and ancillary products, shall be transferred to Motherson as soon as the Tooling is acquired or fabricated in accordance with the Tool Order or with other written documentation issued by Motherson.

Motherson may request at any time the surrender of any Tooling. Supplier will support the relocation in line with Motherson's requirements.

19.3 During the term of a Tool Order, all such Tooling in the possession of Supplier shall be deemed to be Motherson's Property, as defined in Section 17.1 above, and shall not be deemed to be a fixture or a part of Supplier's real property. Supplier expressly waives and releases any and all statutory liens, equitable liens or any other types of liens, including but not limited to any molder's liens, special tool liens, builder liens and the like, that Supplier has or might have on or in connection with the Tooling for any and all work, including but not limited to designing, manufacturing, improving, maintaining, servicing, using, assembling, fabricating or developing the Tooling. In the event Supplier intends to subcontract all or any portion of the manufacture of the Tooling, Supplier shall so notify Motherson in advance, and shall obtain all of the rights contained in this Section 19.3 for Motherson's benefit, as well as any documentation as Motherson may require in relation to each such subcontractor intended to be used by Supplier.

19.4 Payment for the Tooling will be made after approval by Motherson of the Part Submission Warrant and in accordance with Motherson's standard payment terms, unless otherwise stated in a Tool Order or otherwise approved in writing by Motherson. Motherson reserves the right to require proof that Supplier can convey good and marketable title to all Tooling prior to making any payment to Supplier for such Tooling.

19.5 To the extent permitted by applicable law, any payments made by Motherson for Tooling are expressly intended by Motherson to be held in trust for the benefit of any subcontractor(s) used by Supplier to produce the Tooling that are covered by such payments, and Supplier agrees to hold such payments as trustee for such subcontractors until Supplier has paid the subcontractors in full for the Tooling. Supplier acknowledges and agrees that each of its subcontractors is an intended third-party beneficiary of the terms of this Section, and as such, the Tooling subcontractors shall have the right to enforce these terms directly against Supplier in their own name. Supplier acknowledges and agrees that Motherson has no obligation to Supplier or to Supplier's tooling subcontractors under this Section, other than making the payment to Supplier in accordance with a Tool Order. In the event that any of Supplier's tooling subcontractors brings an action or claim against Supplier under this Section, Supplier agrees that it will not involve Motherson in any such action.

### **20. Warranty**

20.1 Supplier warrants that, for a period of not less than 48 (fourty-eight) months from their delivery ("Warranty Period"), the Products shall:

- (i) comply with the specifications, drawings, samples, and instructions provided by Motherson;
- (ii) be free from design defects insofar as Supplier is in charge;
- (iii) be new and free from defects in materials, production and workmanship; and
- (iv) conform in all respects with all applicable federal, state and local laws, statutes, ordinances, orders and regulations of the countries where they've been produced and delivered to;
- (v) not infringe Motherson's Intellectual Property Rights (as such term is hereinbelow defined under Section 21) or any third party's intellectual property rights
- (vi) be suitable for the intended use
- (vii) be formulated, designed, constructed, finished and packaged as to be safe and without risk to health.

20.2 Any attempt by Supplier to limit, disclaim or restrict any of the foregoing warranties without the prior written consent of an authorized representative of Motherson shall be null and void.

20.3 In all cases where Motherson offers its customers a longer Warranty Period, the Supplier shall assume such period and accept the dates determined by the end customer as the starting and ending dates of the Warranty Period.

20.4 Upon Motherson's written request and in addition to Motherson's other rights and remedies, Supplier shall promptly replace or remedy any Products not conforming to the warranties set forth hereinabove and/or provided by law, without any additional expense to Motherson. In the event Supplier fails to promptly have any defects corrected or replace nonconforming Products, Motherson may make such corrections or replace such Products directly, in which case Motherson will charge Supplier for costs of materials, labour, validation, transportation, and all other costs incurred by Motherson in connection with such corrective or replacement actions.

20.5 Motherson may reject nonconforming Products and return them to Supplier at Supplier's expense. Supplier shall also reimburse Motherson for all direct costs (including reasonable attorney and professional fees) and any other damages, losses, costs, expenses, and fees caused by any nonconforming Products. Such costs and damages may include, without limitation, costs, expenses and losses of Motherson and/or its customers arising from any (i) inspection, sorting, repair or replacement of any nonconforming Products or of any system or component that incorporates such nonconforming Products, (ii) production interruptions or slowdowns, (iii) off-lining of vehicles or component systems, and/or (iv) field service campaigns and other corrective service actions, including, without limitation, the amounts paid to distributors and/or dealers for materials and replacement parts (with a reasonable markup to recover administrative costs or other capital expenses) and the labour costs associated with the performance of such work.

20.6 In case a field service campaign or recall becomes necessary, as a defect relates to motor vehicle safety or the actual or potential failure of the vehicle to comply with any applicable law, safety standard or guideline, Supplier shall, notwithstanding the expiration of the applicable Warranty Period, remain liable for any costs and damages associated with the conduct of such field campaign or recall to the extent that the Products fail to conform to the warranties set forth herein.



### **21. Product Liability**

Supplier will defend, indemnify and hold MotherSON harmless from and against any and all loss, liability, cost and expense (including reasonable attorney's and expert's fees) arising out of a claim that a defect in the design or manufacture of the Products, including defects in material and/or manufacturing processes or techniques, caused personal injury or loss of, destruction or damage to property. The Supplier shall, at MotherSON's request, assist MotherSON in any disputes in which MotherSON could become involved by reason of such alleged defects, and if required by MotherSON, take on the conduct of any dispute.

### **22. Service and replacement parts**

22.1 For a period of 15 (fifteen) years after the EOP (End of Production), Supplier shall sell to MotherSON, or to MotherSON's designee, the Products necessary to fulfill MotherSON's past and current model service and replacement requirements for such Products at the prices specified in the relevant order, plus any actual differential cost associated with packaging.

22.2 During the fifteenth year of such period, MotherSON and Supplier shall, at MotherSON's request, negotiate in good faith with regard to Supplier's continued supply of Products and parts included in the Products ("Subcomponents"). Supplier will sell Subcomponents to MotherSON at prices determined as follows: (i) with respect to any Subcomponents purchased by Supplier, the price shall be the actual price paid by Supplier to the manufacturer or distributor of such Subcomponent, plus any actual differential cost associated with packaging; and, (ii) with respect to Subcomponents manufactured or assembled by Supplier, the price for all Subcomponents may not exceed the price of the Products specified in the order, minus assembly costs, plus any actual differential cost associated with packaging.

### **23. Intellectual Property Rights**

23.1 Supplier may use any MotherSON patent, trade secret, trademark, service mark, copyright, mask work, or other intellectual property right (collectively "MotherSON's Intellectual Property Rights") only for the procurement, production and supply of the Products to MotherSON. Supplier furthermore undertakes to ensure that the Products manufactured on the basis of MotherSON standards, designs, drawings, instructions and/or specifications may not be used by Supplier for its own use nor sold to any third party without MotherSON's prior express written consent.

23.2 Supplier guarantees that the Products do not infringe any third-party intellectual property rights, and accepts and undertakes to fully indemnify and MotherSON harmless in relation to any claim, lawsuit, expense and, in general, any direct and indirect damages and costs derived from the infringement of any such rights.

23.3 Supplier shall grant MotherSON and its customers the worldwide and irrevocable right to use, perform, display, reproduce, repair, have repaired, reconstruct, have reconstructed, rebuild, distribute, modify, make derivative works of, make, have made, sell, offer to sell, import, export, and otherwise exploit the Products delivered under an order without any additional payment of any royalty or other compensation to Supplier.

23.4 Unless otherwise agreed in writing, all Products or other deliverables provided under an order, and all intellectual property rights acquired or developed by either Supplier or MotherSON in connection with the Products or in connection with an order, are owned exclusively by MotherSON.

23.5 During the pendency of any force majeure event that lasts for longer than 30 (thirty) days, Supplier hereby grants to MotherSON or to MotherSON's customers a nonexclusive license to use any and all of Supplier's intellectual property rights with respect to the Products, including the right to sublicense to others.

### **24. Subcontracting, Assignment, Customer Requirements**

24.1 Each order is entered into in reliance upon Supplier's personal performance of the duties imposed. Supplier may only subcontract any its obligations under an order, in whole or in part, with MotherSON's prior written approval on the identity of the subcontractor, and always provided that said subcontractor shall be bound by the same obligations as Supplier. If the subcontracting is approved by MotherSON, Supplier alone shall remain responsible and fully liable to MotherSON for the performance of its obligations, and shall guarantee compliance with these T&Cs by the subcontractors. Supplier shall also be responsible for any of its subcontractors which are directed by MotherSON or MotherSON's customers.

24.2 Moreover, Supplier shall not assign any of its substantive duties under an order, nor assign any right to any receivable owed to Supplier by MotherSON hereunder, without MotherSON's prior written approval. Any such assignment without the previous written consent of MotherSON shall entitle MotherSON to cancel the corresponding order(s). Consent by MotherSON to an assignment shall not be deemed to waive MotherSON's right to recoupment from Supplier and/or its assignees for any claim arising out of the transaction, and shall not prohibit MotherSON from enforcing any of its rights against the assignee. MotherSON shall have the right to assign any benefit or duty under an order to any third party upon notice to Supplier without the need for Supplier's consent.

24.3 Supplier agrees to comply with the applicable terms and conditions and any other requirements set forth in any agreements entered into between MotherSON and MotherSON's customers, pursuant to which MotherSON agrees to supply to its customer, or incorporate into products supplied to its customer, the Products purchased by MotherSON from Supplier hereunder.

### **25. Confidentiality**

Supplier undertakes to keep all information received from MotherSON strictly confidential and not to use it for any purposes other than the execution of the business relationship with MotherSON. Supplier further undertakes to keep the disclosed information secured and not to reveal it or otherwise make it accessible to any third parties, except with MotherSON's prior written consent. Supplier also undertakes to notify its employees and representatives of this obligation, and shall be and remain liable for any breach of this non-disclosure obligation committed by its employees or representatives.

### **26. Insurance**

26.1 Supplier shall take and maintain a policy covering:

(i) liability derived from a breach of Supplier's obligations to MotherSON. This may include but is not limited to covering any damages derived from defects, late or incomplete deliveries, damages to MotherSON's Property, bodily injury and property and personal damages derived from the supply of defective Products and, in short, any charge which can be substantiated by MotherSON to Supplier associated with Product non-conformities, Product rejections or Product returns as a result of noncompliance with the corresponding specifications, standards, designs, drawings and MotherSON's instructions in general.

(ii) risks to goods, machinery and materials in its possession or under its responsibility, including but not limited to risks associated with any fire, flood, explosion, civil commotion, natural disaster of any kind, and loss or theft of material. For the sake of clarity, the insurance policy shall cover any goods, tools or other equipment located in the Supplier's premises, even if owned by MotherSON or by MotherSON's customers.

(iii) property damages to the Products during or as a consequence of their transportation, regardless of the means of transportation.

26.2 Supplier shall provide evidence of such insurance coverage at MotherSON's request. Existence of any insurance contract shall not limit Supplier's obligations under any provision of these T&Cs.

### **27. Term and Termination**

27.1 MotherSON is entitled to terminate all or any part of any order issued to Supplier at any time and for any reason by providing a 6 (six) months written notice to Supplier. The right to terminate an order or the entire business relationship with Supplier for good cause without notice and with no expense to MotherSON remains unaffected.

27.2 A good cause for MotherSON to terminate an order or the entire business relationship with Supplier exists, in particular, if:

(i) Supplier fails to comply with applicable laws and regulations;

(ii) Supplier repeatedly breaches any term of these T&Cs;

(iii) Supplier repeatedly fails to perform or deliver the Products as agreed between the parties, e.g. as to place, time, quality, etc.; and/or

(iv) Supplier becomes insolvent, or upon filing of a petition initiating insolvency proceedings, or if Supplier gets dissolved, liquidated or ceases its business activity; or if Supplier transforms its legal status.

(v) MotherSON's customer prematurely terminates a running program related to the Products.

27.3 The relationship between the parties may also be terminated by mutual agreement between Motherson and Supplier.

27.4 Upon termination of the business relationship, Supplier shall, unless otherwise directed by Motherson, finish all orders that are accepted by Motherson as binding, immediately suspend all works related to any order that has not been accepted or has been revoked by Motherson, and cooperate with Motherson to avoid any disruption or inconvenience to the production. Thereafter, Supplier shall transfer to Motherson all goods, Tooling, work-in-course and raw material in its possession, at its own risk and expense.

### **28. Force Majeure**

28.1 Neither party shall be in breach of its contractual obligations nor liable for delay in performing, or failure to perform, if such delay or failure results from a Force Majeure event (as such term is hereinbelow defined). In such circumstances, the relevant deadlines or time periods for the performance of the relevant obligations shall be extended by a reasonable period of time, taking into account the duration and severity of the relevant event, circumstance or cause, and any initial set-up or implementation phase required to carry out the obligations. Each party shall take all required temporary measures to minimize to the best of its ability the consequences of any Force Majeure event.

28.2 "Force Majeure" shall mean any circumstance beyond a party's reasonable control and which, by exercise of reasonable diligence, a party is unable to foresee, prevent or overcome, and which objectively prevents a party from performing its contractual obligations, including acts of God, floods, windstorms, pandemics or other natural disasters, explosions, riots, governmental actions, wars, terrorist attacks and sabotage. If the impediment to perform can be overcome, even if financially more burdensome, the failure to perform is not excusable and shall lead to the respective party's liability for damages arising from the non-performance. For the avoidance of doubt, labour disruptions, strikes, lockouts and slowdowns affecting Supplier's facilities shall not give rise to declare Force Majeure hereunder

28.3 If the Force Majeure event lasts more than (30) days, Motherson may, among its other remedies, immediately cancel any relevant orders without liability and procure replacement Products from alternative sources.

### **29. Information Security**

29.1 Supplier shall secure Motherson's Data and its own Data which is necessary for the delivery of the Products in accordance with the state of the art against unauthorized access, modification, destruction and other misuse (hereinafter "Information Security"). "Data" as used in this Section 29 means information which is stored or transmitted either electronically or otherwise not immediately perceptible as well as physical parts or paper documents (e.g. drawings), and photographs and film/sound recordings.

29.2 In particular, Supplier shall strictly separate Motherson's Data from Data pertaining to other customers and handle the same separately (with the exception of email communication), and shall employ appropriate protective mechanisms against access by other customers to such Motherson's Data.

29.3 Depending on the type and protection requirements of the affected Motherson Data, or on the significance of the Product delivery by Supplier for the business operations of Motherson, Motherson may demand from Supplier an appropriate level of security measures as well as proof as prescribed by Motherson of an appropriate Information Security level within Supplier's operations. Proof can be provided in particular by certification in accordance with the VDA-ISA model "TISAX" ("Trusted Information Security Assessment Exchange") or by evidence of a corresponding certificate, e.g. ISO/IEC 27001. The parties may agree on a reasonable period for the initial certification of a site in accordance with "TISAX".

29.4 Supplier shall ensure that no possibly damage-causing software (e.g. drivers or firmware that could contain virus, worms or Trojan horses) is used in connection with the fulfilment of Motherson's order. Supplier shall check this in accordance with the state of the art and, upon Motherson's request, Supplier shall confirm in writing that upon such check Supplier found no indications of damage-causing software.

29.5 Should Supplier obtain knowledge of an incident which affects Information Security (including but not limited to security gaps, Data loss, malfunctions, endangerment, attack by damage-causing software and/or Data

misuse) and which could concern MotherSON, in particular in the form of unauthorized access by third parties to MotherSON's Data (for example by way of a Data leak or cyberattack), or if there are any indications which upon reasonable assessment justify the suspicion of such incident, then Supplier shall, without undue delay and free of charge:

- (i) inform MotherSON of such;
- (ii) take all necessary steps to clarify the matter and limit the potential or actual damage;
- (iii) support MotherSON in the recovery of Data if the violation to the Information Security causes the loss of Data;
- (iv) upon MotherSON's request, provide a security report for a specified period, which shall include, in particular, results of the security checks, any identified Information Security risks, as well as any identified Information Security incidents and their handling; and
- (v) enable MotherSON to confirm for itself compliance with the Information Security and the agreed Data protection and security guidelines (hereinafter "Security Audits").

29.6 MotherSON shall be authorized to have the Security Audits conducted by a qualified external company bound by confidentiality regarding third parties, unless such company is a competitor of Supplier. MotherSON may demand a Security Audit even in the absence of an incident/suspicion of the presence of an incident in accordance with this Clause.

29.7 Before the first delivery of Products, Supplier shall notify MotherSON via the Supplier database of a central contact person for Information Security matters, and shall inform MotherSON in the event of any changes without undue delay.

29.8 Supplier shall ensure that its subcontractors are contractually bound to Supplier to comply with the provisions of this Section through appropriate contractual regulations. When involving subcontractors in development and prototypes, the minimum requirements for prototype protection must be complied with, as well as a approval of the subcontractor from the original customer.

### **30. Personal Data**

30.1 In these T&Cs, "Personal Data", "data controller", "data processor", "data subject", and "processing" have the meaning given to them by 2016/679 European Regulation dated 27 April 2016 on the protection of natural persons with regard to the processing of personal data ("GDPR").

30.2 If Supplier processes any Personal Data on MotherSON's behalf when performing its obligations under these T&Cs, the parties record their intention that MotherSON shall be the data controller and Supplier shall be a data processor and in any such case:

- (i) Supplier shall process the Personal Data only in accordance with applicable data protection laws, with the provisions of these T&Cs and with any lawful documented instructions reasonably given by MotherSON from time to time, and strictly only for the purposes of meeting its obligations under these T&Cs;
- (ii) Each party shall take appropriate technical and organizational measures against unauthorized or unlawful processing of the Personal Data or its accidental loss, destruction or damage;
- (iii) Supplier shall notify MotherSON without undue delay in the event of any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Personal Data transmitted, stored or otherwise processed;
- (iv) Supplier shall not engage another data processor without prior specific or general written authorization of MotherSON. In any such case, the same data protection obligations as set out in these T&Cs shall be imposed on that other processor by way of a contract or other legal act, in particular providing sufficient guarantees to implement appropriate technical and organizational measures;
- (v) Supplier shall reasonably assist MotherSON in ensuring compliance with the obligations regarding the processing security, communications of data breach to the data subjects; and
- (vi) Supplier shall, at the choice of MotherSON, delete or return all the Personal Data to MotherSON after the termination or expiration of the contractual relationship between the parties, and shall also delete existing copies, unless applicable law requires storage of the Personal Data.

30.3 To the extent Supplier processes Personal Data on behalf of MotherSON, MotherSON reserves the right to audit or have Supplier audited to ensure the observance of the provisions of this Section. For the purposes of an audit, Supplier authorizes the auditors to access its sites and facilities. The auditors may conduct all operations reasonably necessary and access all information strictly required to verify the observance of commitments set

forth in this Section, to the exclusion of the Supplier's customer's data. MotherSON undertakes that this audit shall not disturb the normal business activities of Supplier.

30.4 Country-specific legal requirements for data protection must be complied with.

### **31. Corporate Social Responsibility and Sustainability**

31.1 MotherSON recognizes the importance of social and environmental responsibility and aims to protect universal human rights, eliminate forced labour, abolish child labour, eliminate discrimination in respect of employment and occupation and strive for continual improvement in its environmental performance along its entire supply chains.

31.2 Supplier's corporate activities and those of its suppliers shall therefore take account of the social responsibility to employees and society by following principles such as the following:

- (i) preservation of human dignity;
- (ii) ban on child and forced labour;
- (iii) implementation of equal opportunities;
- (iv) no discrimination or harassment;
- (v) maintenance of adequate social working conditions;
- (vi) freedom of association;
- (vii) maintenance of employability by basic and advanced training;
- (viii) prevention of corruption; and
- (ix) compliance with all current laws and regulations.

31.3 Supplier shall further introduce and maintain an effective environmental system in accordance with or comparable to ISO 14001, including, to the most possible extent, principles such as using raw materials suitable for recycling, designing Products according to weight-saving principles in order to minimize exhaust, noise and solid emissions during the production, use and recycling phases according to state of the art technologies, and procure for its subcontractors to act in accordance with the same. The Supplier shall be liable for the environmental compatibility of the Products delivered and the packaging material used as well as for any consequential damage deriving from non-compliance with his statutory waste disposal obligations.

31.4 MotherSON expects Supplier to comply with all relevant laws relating to environment, sustainability, due diligence, anti-fraud and anti-corruption of any country and region in which Supplier operates and MotherSON's plants to which Supplier delivers operate. Supplier shall comply, in relation to all its activities relating to Products supplied to MotherSON, with all the principles described in MotherSON's or MotherSON's customers' relevant guidelines and procedures.

31.5 MotherSON may audit Supplier in order to ensure Supplier's compliance with all requirements listed in this Section. If MotherSON identifies Supplier failures during the audit process, MotherSON may, at its own discretion, terminate the relevant order or decide to impose a BOH (business on hold) status upon Supplier. Furthermore, Supplier shall inform its own suppliers of the content of these obligations, in order for the same to be included in the applicable contracts within the entire supply chain.

### **32. Miscellaneous**

32.1 Any reference to MotherSON or any of its group companies, and any use of MotherSON's trademarks or logos by Supplier in Supplier's advertising or publicity materials, are strictly prohibited without MotherSON's express written consent.

32.2 No amendment, modification, termination or waiver of any provision of these T&Cs, and no consent to any deviation by either party therefrom, shall be effective unless agreed upon in writing and signed by both parties.

32.3 The failure of either party at any time to require performance by the other party of any provision of these T&Cs will in no way affect such party's right to require such performance at any time thereafter, nor will the waiver by either party of a breach of any provision of these T&Cs constitute a waiver of any succeeding breach of the same or any other provision.

32.4 These T&Cs shall be governed by and construed in accordance with the laws of the country (and state or province, if applicable) of the principal place of business of the Motherson concerned company. The purchase terms and conditions set out in the United Nations Convention for the International Sale of Goods (CISG) are hereby expressly excluded.

32.5 The exclusive place of jurisdictions for any and all disputes arising out of or in connection with these T&Cs shall be the competent commercial court where the registered seat of the Motherson concerned company, as the case may be, is located. Motherson shall be, however, entitled to take action against Supplier in any other statutory place of jurisdiction.

32.6 If any provision of these T&Cs is or becomes invalid or unenforceable, other provisions shall remain fully valid and enforceable, and the parties shall replace such invalid or unenforceable provisions by another provision, which comes closest to the original intent of the parties.

32.7 These T&Cs may be translated into various languages. However, the English language version is the original and controlling version, and all other language versions are translations for information purposes only. In cases of discrepancy, the English version shall take precedence over any translation.