

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

Table of Content

- 1. General Principles; Nature of the Relationship between the Parties.....1
- 2. BUYER Customer Requirements; Nominated / Directed Supplies.1
- 3. Purchase Orders; Non-binding Forecasts; Delivery Releases1
- 4. Spare Parts; Discontinuance of Production.....2
- 5. Delivery; Scheduling2
- 6. Shipping; Packaging2
- 7. Ingredients Disclosure; Special Warnings and Instructions.....2
- 8. Export Controls; Customs and Origin3
- 9. Transfer of Title3
- 10. Nonconforming; Rejected or Surplus Supplies.....3
- 11. Training.....3
- 12. BUYER Property3
- 13. Work Performed on BUYER's Premises.....4
- 14. Tooling; Capital Equipment.....4
- 15. Audit Rights; SELLER's Premises.....4
- 16. SELLER Property.....4
- 17. Prices; Currency; Payment; Set-off and Recoupment; Invoices4
- 18. Taxation5
- 19. Price and Cost Improvements; Competitiveness; Assurance of Performance5
- 20. Quality Assurance System.....5
- 21. Compliance with Law5
- 22. Recall Campaigns5
- 23. Product Warranty; Warranty of Performance6
- 24. Remedies; Indemnity6
- 25. Specific Performance6
- 26. Protection against Labour Disruptions; Force Majeure6
- 27. Changes6
- 28. Termination for Cause7
- 29. Termination for Convenience7
- 30. Insolvency7
- 31. Transition Support7
- 32. Intellectual Property Rights8
- 33. Subcontracting.....8
- 34. Insurance9
- 35. Confidentiality; No Advertising9
- 36. Non-Assignment9
- 37. Governing Law and Jurisdiction9
- 38. Written Form9
- 39. No Waiver9
- 40. Severability9

1. General Principles; Nature of the Relationship between the Parties

- 1.1 The following terms and conditions, in their respective current version ("**Terms**") set forth the general principles governing the sourcing of goods and services (in each case "**Supplies**") by YAZAKI Europe Limited, Cologne Branch (Erfstraße 15-17, 50672 Cologne, Germany) and its affiliated companies (in Europe, Turkey, Russia and North Africa, in each case the "**BUYER**"), from suppliers, service providers and business partners (in each case the "**SELLER**" and together with the BUYER, each a/the "**Party/ies**").
- 1.2 These Terms apply exclusively. The BUYER expressly does not acknowledge the SELLER terms and conditions and/or (non-mandatory) legal provisions that conflict with these Terms, unless

the BUYER has expressly agreed to the validity of such terms or provisions in writing. Legal provisions proposed by the SELLER that are different from or in addition to the provisions set out in these Terms are expressly rejected by the BUYER and will not become part of a contractual relationship between the Parties. The foregoing shall also apply if the BUYER has not expressly objected or if the BUYER accepts Supplies from the SELLER or pays for such Supplies without reservation, while being aware of the SELLER's own general terms and conditions.

- 1.3 The SELLER and the BUYER are independent contracting parties and nothing in these Terms will make either Party the agent or legal representative of the respective other Party for any purpose whatsoever, nor does it grant either Party any authority to assume or to create any obligation on behalf of or in the name of the respective other Party.

2. BUYER Customer Requirements; Nominated / Directed Supplies

- 2.1 If (i) a customer of the BUYER ("**BUYER Customer**") nominates and/or directs the BUYER (directly or indirectly) to source Supplies from the SELLER for a project or (vehicle) programme of such BUYER Customer ("**BUYER Customer Project**"); or (ii) the BUYER (directly or indirectly) sources Supplies from the SELLER for a BUYER Customer or a BUYER Customer Project (without having been so nominated and/or directed by the BUYER Customer), the SELLER is obliged to also comply with all requirements, demands and (change) requests of the BUYER Customer with regard to the Supplies for such BUYER Customer ("**BUYER Customer Requirements**") that (i) are known to the SELLER; (ii) the SELLER ought to have known; or (iii) the SELLER has been informed of by the BUYER or the BUYER Customer.

- 2.2 The BUYER Customer Requirements may include, in particular, specific terms and demands with regard to (i) payment and pricing; (ii) delivery and shipping; (iii) packaging and labelling; (iv) spare parts; (v) non-conforming Supplies; (vi) quality requirements; (vii) warranty and limitation periods; (viii) audit rights; (ix) Intellectual Property Rights (as defined in Section 32 (*Intellectual Property Rights*)); (x) tooling and capital equipment; or (xi) changes to the BUYER Customer Requirements.

- 2.3 The SELLER shall indemnify and hold the BUYER harmless from all (asserted) claims of a BUYER Customer against the BUYER (in particular warranty-, guaranty-, liability- or indemnity claims), which in the BUYER's reasonable opinion stem from Supplies sourced from the SELLER for a BUYER Customer ("**BUYER Customer Claim**"); and the BUYER shall have a claim against the SELLER that mirrors the BUYER Customer Claim.

- 2.4 Subject to the termination rights of the Parties under these Terms, the contractual relationship between the Parties shall generally provide for a term corresponding to the BUYER's obligation to be able to provide spare parts for the relevant BUYER Customer Project. The SELLER acknowledges the risk that the BUYER Customer Project may be cancelled or extended by the BUYER Customer at any time.

3. Purchase Orders; Non-binding Forecasts; Delivery Releases

- 3.1 The specific contractual relationship between the Parties is governed by individual agreements between the BUYER and the SELLER, which are generally executed in the form of Purchase Orders that incorporate these Terms.

- 3.2 "**Purchase Order(s)**" or "**Order(s)**" means a specific purchase order, release, or similar document issued by the BUYER to the SELLER for the sourcing of Supplies based on these Terms.

- 3.3 To the extent available to the Parties and unless otherwise specified in a Purchase Order, the SELLER will communicate electronically with the BUYER in a secure (encrypted) manner and specifically utilizing electronic data interchange (EDI) with respect to all supply chain communications relating to their contractual relationship, including, in particular, receiving the BUYER's production schedules and sending advance shipment notices to the BUYER.

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

- 3.4 A Purchase Order incorporating these Terms governs the entire legal relationship between the Parties from quotation to the purchase and delivery / provision of Supplies.
- 3.5 These Terms also apply as a framework agreement for future Purchase Orders with the SELLER, whether or not these Terms are explicitly referenced in each individual case.
- 3.6 Projections, forecasts, calculations or estimates stated in a Purchase Order constitute a non-binding forecast of demand, unless expressly stated as firm. The non-binding forecasts are the BUYER's estimate of the quantities of Supplies it might purchase from the SELLER for a given period. Non-binding means that the SELLER shall not be entitled to claim payment and acceptance of the forecasted demand by the BUYER, *i.e.* the forecast is no commitment to a stated (minimum) volume or commitment.
- 3.7 If a Purchase Order is labelled as a "Frame-" or "Blanket-" the BUYER's obligation to purchase a specific quantity is subject to the issuance of a corresponding "Release-", "Call-off-", or "Spot-Order" by the BUYER specifying the exact fabrication and delivery details with regard to place, time and quantity. When an Order is labelled as a "Frame Order", the SELLER shall not fabricate or assemble any Supplies nor procure required materials, nor ship any Supplies except to the extent authorised by such written Release-, Call-off-, or Spot-Orders.
- 3.8 In case of "**Spot-Orders**" the SELLER shall confirm to the BUYER the receipt of the Spot-Order within two "**Business Days**" (*i.e.* days on which banks are open for business at the BUYER Location (as defined in Section 37 (*Governing Law and Jurisdiction*))) in writing (e-mail and fax suffices). The Spot-Order will become binding upon the SELLER five Business Days after receipt.
- 3.9 For "**Release-Orders**" (also referred to as "**Call-off Orders**") the BUYER provides to the SELLER the respective ordering schedule and forecasts. If the SELLER cannot provide the ordered quantities within the requested periods, the SELLER shall give notice to the BUYER within 48 hours after receipt of the Call-off Order. Otherwise, the Call-off Order will become binding upon the SELLER upon expiry of such period. For the avoidance of doubt, the SELLER shall always comply with the forecasted quantities within the respective forecast period.
- 3.10 The SELLER recognizes that a BUYER Customer may change the purchase orders placed with the BUYER in response to changes in market conditions. The BUYER may, in turn, have to adjust a Purchase Order to accommodate such requests. As such, the BUYER specifically reserves the right to increase or decrease any quantities stated under any Purchase Order by up to 20% at any time prior to final shipment. The SELLER expressly agrees that: (i) it shall provide and sell to the BUYER the additional Supplies required by such adjustment within the delivery dates set forth by the BUYER, and (ii) the BUYER shall have no liability to the SELLER for Supplies not purchased by the BUYER in accordance with any reduction of Supplies as provided herein.
- 4. Spare Parts; Discontinuance of Production**
- The SELLER shall, with regard to BUYER Customer Projects, supply the BUYER with replacement parts, accessory parts, aftermarket parts and/or after sale-service relating to the Supplies ("**Spare Parts**") at commercially reasonable prices for (i) 15 years after the BUYER's last purchase of the Supplies, or (ii) 15 years after the end of the vehicle production program of the relevant BUYER Customer Project, or (iii) a longer period that is required by law in a country where the end-products (in which the Supplies are used) are sold. The prices shall not exceed the price paid for the last Purchase Order for Supplies relating to such Spare Parts.
- 5. Delivery; Scheduling**
- 5.1 The SELLER will comply in all respects with the BUYER's delivery and logistics requirements. Time is of the utmost essence, and deliveries must be made both in quantities and at times specified by the BUYER.
- 5.2 The BUYER is not obliged to pay for Supplies delivered to the BUYER that are in excess of quantities specified/ordered by the BUYER.
- 5.3 If the SELLER for any reason anticipates difficulty in complying with the required delivery date, or in meeting any of the other requirements of a Purchase Order due to capacity constraints or otherwise, the SELLER shall promptly notify the BUYER in writing of the potential default, the cause thereof, and the estimated length of the anticipated default.
- 5.4 If the SELLER's acts or omissions result in or are likely to result in the SELLER's failure to meet the BUYER's delivery requirements and the BUYER requires a more expeditious method of transportation for the Supplies than the originally agreed transportation method (in particular air freight or premium shipping), the SELLER will be solely responsible for all costs, fees and (extraordinary) expenses associated with such expedited shipments.
- 5.5 If a BUYER Customer, market, economic or other conditions require a change in delivery schedules, the BUYER may change the rate of scheduled shipments or direct a temporary suspension of scheduled shipments without entitling the SELLER to charge compensation.
- 5.6 If the BUYER requests delivery within a period shorter than the agreed lead-time, the SELLER must use its best efforts to meet the date indicated and immediately notify the BUYER if it believes that despite such efforts it will be unable to deliver within the requested period.
- 6. Shipping; Packaging**
- 6.1 The SELLER will comply in all respects with the BUYER's shipping and packaging requirements.
- 6.2 Unless agreed otherwise, any charges or costs relating to handling, packaging, storage or transportation of Supplies are borne by the SELLER and have been included in the pricing for the Supplies.
- 6.3 The SELLER will (i) properly pack, mark and ship goods in accordance with the instructions and requirements of the BUYER and the BUYER Customer, the involved carriers, and laws and regulations of the country of manufacture, the country of destination and any country in which the Supplies will be transported, including, in particular, laws and regulations governing the handling and transportation of dangerous goods or hazardous materials (e.g. U.S. Toxic Substances Control Act; European Union Packaging Directive (94/62/EC); European Union End of Life Vehicles Directive (2000/53/EC); REACH Regulation (1907/2006/EC); CLP Regulation (1272/2008/EC); RoHS Directive 2011/65/EU; etc); and (ii) include on bills of lading or other shipping documents the correct classification of the Supplies.
- 6.4 The marks on each package and identification of the Supplies on packing slips, bills of lading and invoices (when required) must be sufficient to enable the BUYER and the BUYER Customer to easily identify the Supplies and the corresponding Purchase Order.
- 6.5 The SELLER is obliged to take back packaging at the BUYER's request.
- 7. Ingredients Disclosure; Special Warnings and Instructions**
- 7.1 The SELLER will promptly furnish to the BUYER in such form and detail as the BUYER and/or the BUYER Customer may direct: (i) a list of all ingredients and materials in the Supplies; (ii) the amount of such ingredients and materials; and (iii) information concerning any changes in or additions to such ingredients and materials so that the BUYER may comply in a timely manner with all reporting requirements under applicable laws.
- 7.2 Prior to and with the shipment of the Supplies, the SELLER agrees to furnish to the BUYER sufficient advance warning and notice, in writing (including, in particular, appropriate labels on the Supplies, containers and packing), of any dangerous goods or hazardous material that is an ingredient or a part of any shipment of Supplies, together with such special handling instructions as may be necessary to advise carriers, the BUYER and the BUYER Customer of how to exercise that measure of care and precaution that will comply with any applicable laws or regulations and best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Supplies,

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

- containers and packing shipped to the BUYER or the BUYER Customer.
- 8. Export Controls; Customs and Origin**
- 8.1 The SELLER agrees to comply with all applicable export control and sanctions laws, including, in particular the regulations of the United States of America, of member States of the European Union, the United Kingdom and any other relevant BUYER Location (as defined in Section 37 (*Governing Law and Jurisdiction*)), together the "**Export Control Laws**".
- 8.2 The SELLER will not violate, and will not cause the BUYER or the BUYER Customer to violate, any Export Control Laws (e.g. by transhipping Supplies through or from sanctioned countries).
- 8.3 Licenses or other authorizations required for the export of Supplies will be the responsibility of the SELLER, unless otherwise agreed between the Parties in writing, in which case the SELLER will provide such information as may be requested by the BUYER to enable the BUYER to obtain such licenses or authorizations.
- 8.4 The SELLER will undertake such arrangements as necessary for the Supplies to be covered by any duty deferral or free trade zone program(s) of the country of import. The SELLER will timely and accurately provide all information necessary (including written documentation and electronic transaction records) to permit the BUYER to (i) receive such benefits or credits; and (ii) satisfy its import and, where required, export customs related obligations, origin marking or labelling requirements and local content origin requirements, if any.
- 8.5 The SELLER will ensure compliance with the recommendations or requirements of all applicable authorized economic operators (AEO), governmental security/anti-terrorism and enhanced border release programs (including, in particular, the European Union Customs Union (EUCU), the United States Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism (C-TPAT), Canada Border Services Agency's Partners in Protection initiative and *Administración General de Aduanas de Mexico's Neuvo Esquema Empresa Certificada (NEEC)* program).
- 8.6 At the request of the BUYER, the BUYER Customer, or the competent customs authority, the SELLER will certify its compliance with the foregoing in writing.
- 9. Transfer of Title**
- Unless otherwise agreed with the SELLER, title to the Supplies will transfer to the BUYER free and clear of any liens, claims, encumbrances, interests or other rights at the moment the risk of loss transfers from the SELLER to the BUYER with respect to such Supplies in accordance with the relevant Incoterm 2020 ("**Incoterms**") or alternative delivery terms agreed with the SELLER.
- 10. Nonconforming; Rejected or Surplus Supplies**
- 10.1 Prior to any delivery, the Supplies have to be carefully examined by the SELLER so that the BUYER and the BUYER Customer can fully rely on their quality and fitness for purpose. The SELLER shall provide and maintain an inspection and process control system acceptable to the BUYER and its Customer covering the Supplies. Records of all inspection work performed by the SELLER shall be kept complete, separate and available to the BUYER and its Customer during the performance of a Purchase Order and for such longer periods as may be specified in a Purchase Order, but not less than ten years after the last delivery of the particular Supplies to the BUYER. During the foregoing period, the SELLER will retain all pertinent documents, data, records and other materials pertaining to the Supplies, the SELLER's obligations under the Purchase Order, and any payments requested by the SELLER under the Purchase Order.
- 10.2 The BUYER is not obliged to perform incoming inspections of the Supplies and the SELLER waives any requirement that the BUYER conducts such inspections. Where mandatory law requires the BUYER to perform incoming inspections, such incoming inspections shall be limited to externally visibly transportation damages.
- 10.3 Payment for nonconforming Supplies will not constitute an acceptance of them, limit or impair the BUYER's right to assert any legal or equitable remedy, or relieve the SELLER's responsibility for latent defects.
- 10.4 Any Supplies (i) rejected by the BUYER as nonconforming; or (ii) that become obsolete or surplus, will be rendered unusable prior to salvage or disposal by the SELLER. The SELLER will ensure that nonconforming, rejected, obsolete or surplus Supplies are not sold as service or replacement parts to third parties.
- 11. Training**
- 11.1 The SELLER will provide all necessary training and training materials to the BUYER for the Supplies, at no additional cost to the BUYER, at the BUYER Location (as defined in Section 37 (*Governing Law and Jurisdiction*)) (unless another location is designated in the Purchase Order).
- 11.2 The SELLER will provide such training in the amount and on such schedule as may be reasonably required by the BUYER. The SELLER will provide the training materials in a computerized format, if possible.
- 11.3 Where the SELLER obtains the Supplies or a portion of the Supplies from a third party for resale to the BUYER, the SELLER shall cause such third party to provide the training contemplated in this Section.
- 12. BUYER Property**
- 12.1 All supplies, materials, prototype and production tools, jigs, dies, gauges, fixtures, moulds, patterns, equipment, related software and other items (together with any additions, appurtenances, modifications, repairs, refurbishments and replacements thereof) furnished by the BUYER, either directly or indirectly, to the SELLER for any Supplies, or for which the SELLER has been paid by the BUYER ("**BUYER Property**"), will be and remain the property of the BUYER, and all right, title and interest in the BUYER Property will remain with the BUYER, subject only to the limited right of possession granted to the SELLER under this Section.
- 12.2 At any time, the BUYER will have the right to immediate possession of the BUYER Property, on the BUYER's demand. If title in any BUYER Property has not otherwise passed to the BUYER, title will pass to the BUYER immediately upon completion of the BUYER's PPAP (as defined below in Section 20 (*Quality Assurance System*)) process for such property.
- 12.3 The SELLER will bear all risk of loss and damage to the BUYER Property. The BUYER Property will (i) at all times be properly housed and maintained by the SELLER, at its expense; (ii) not be used by the SELLER for any purpose other than for the performance of any obligation towards the BUYER; (iii) be conspicuously marked by the SELLER as the property of the BUYER; (iv) not be commingled with the property of the SELLER or with that of a third party; (v) not be moved from the SELLER's premises without the BUYER's prior written consent, and (vi) be adequately insured against loss or damage for replacement value.
- 12.4 Upon the request of the BUYER, the BUYER Property will be immediately released to the BUYER or delivered to the BUYER by the SELLER in accordance with the requirements of the carrier selected by the BUYER to transport such BUYER Property; or to any location designated by the BUYER, in which event the BUYER will pay to the SELLER the reasonable additional costs of delivering such BUYER Property to such location.
- 12.5 To the fullest extent permitted by law, the SELLER waives any liens, claims, encumbrances, interests or other rights that the SELLER might otherwise have or assert on or with respect to any of the BUYER Property for work performed on such property or otherwise.
- 12.6 To the extent any Intellectual Property Rights (as defined in Section 32 (*Intellectual Property Rights*)) owned by or licensed to the SELLER are embodied in, or are otherwise necessary for the intended use of, any BUYER Property, the SELLER hereby grants to the BUYER a fully paid, irrevocable, non-exclusive, worldwide, perpetual to the maximum extent permitted by law, royalty-free license, with the right to grant sublicenses as necessary for any

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

- use of the BUYER Property, to use such Intellectual Property Rights.
- 13. Work Performed on BUYER's Premises**
- 13.1 If the SELLER performs any work on the BUYER's premises or utilizes the property of the BUYER or of a BUYER Customer, the SELLER will examine these premises/that property to determine whether they are safe for the requested Supplies and will advise the BUYER promptly of any situation the SELLER deems to be unsafe.
- 13.2 If the SELLER performs any work on the BUYER's premises or utilizes the property of the BUYER, whether on or off the BUYER's premises, the SELLER will indemnify and hold the BUYER harmless from and against any liability, claims, demands or expenses (including, in particular, legal and other professional fees) for damages to the BUYER Property, or injuries or death to the BUYER's or the SELLER's employees, subcontractors or any other person arising from or in connection with the SELLER's performance of work or use of the BUYER Property, except for such liability, claim or demand arising out of the sole negligence of the BUYER.
- 14. Tooling; Capital Equipment**
- 14.1 This Section applies only to Orders for tooling and/or capital equipment.
- 14.2 All tools and capital equipment are to be made to the BUYER's specifications (or, where directed by the BUYER, to those of the BUYER Customer).
- 14.3 Any exception to such specifications must be agreed upon in writing. To the extent an Order expressly states that it is for "tooling" or "capital equipment" and unless otherwise stated in the Order, freight terms are DDP Incoterms BUYER's facility.
- 14.4 All right, title, and interest in and to any part of tooling to be paid for by the BUYER ("**BUYER-owned Tooling**") shall pass to the BUYER as soon as it is acquired or fabricated in accordance with a Purchase Order. The SELLER acknowledges and agrees that the BUYER takes title to the BUYER-owned Tooling even if the SELLER has not yet been paid therefor. During the term of the respective Purchase Order, all such BUYER-owned Tooling in the possession of the SELLER shall be deemed (i) the BUYER Property; or – to the extent this is not possible under applicable law; (ii) bailed property of the BUYER and shall not be deemed a fixture or a part of the SELLER's (real) property.
- 14.5 The SELLER will properly house and maintain the BUYER-owned Tooling in accordance with Section 12 (*BUYER Property*). The SELLER shall indemnify the BUYER against any claim adverse to the BUYER's ownership of the BUYER-owned Tooling, except as such claims may result from any acts or omissions of the BUYER.
- 14.6 To the extent permitted by law, the SELLER waives its right to object to the repossession of the BUYER-owned Tooling by the BUYER in the event the SELLER is insolvent or in bankruptcy proceedings.
- 14.7 While in its possession, the SELLER, at the SELLER's expense, shall maintain the BUYER-owned Tooling in first class condition and immediately replace any items which are lost or destroyed or become worn out. All repaired or replaced BUYER-owned Tooling shall be the property of the BUYER. Wear and tear and repairs of the BUYER-owned Tooling is the SELLER's responsibility. Title to any modifications, changes or accessions to the BUYER-owned Tooling shall vest in the BUYER regardless of whether the BUYER has reimbursed the SELLER for such modifications, changes or accessions.
- 14.8 The SELLER shall keep such records in relation to the BUYER-owned Tooling as the BUYER may reasonably require. None of the BUYER-owned Tooling shall be used in the production, manufacture or design of any supplies or materials except for Supplies for the BUYER.
- 14.9 The SELLER shall not sell or otherwise dispose of any product using the BUYER-owned Tooling to any third party except where specifically so authorized by the BUYER in writing.
- 14.10 If the BUYER-owned Tooling is not utilized to produce any Supplies for the BUYER for a period of two years, the SELLER shall notify the BUYER accordingly and request instructions as to the disposition of the BUYER-owned Tooling.
- 14.11 If the SELLER subcontracts (subject to Section 33 (*Subcontracting*)) all or any portion of the manufacture of the BUYER-owned Tooling, the SELLER is obliged to obtain for the BUYER all of the rights contained in this Section from each such subcontractor.
- 14.12 To the extent permitted by applicable law, any payments made by the BUYER for the BUYER-owned Tooling are expressly intended by the SELLER to be held in trust for the benefit of any subcontractor(s) used by the SELLER to produce the BUYER-owned Tooling that are covered by such payments and the SELLER agrees to hold such payments as trustee in express trust for such subcontractors until the SELLER has paid the subcontractors in full for the BUYER-owned Tooling.
- 15. Audit Rights; SELLER's Premises**
- 15.1 The SELLER grants the BUYER access to its premises and books and records solely for the purpose of auditing the SELLER's compliance with these Terms or inspecting or conducting an inventory of finished Supplies, work-in-progress, raw materials, any of the BUYER Property and all work or other items to be provided pursuant to the contractual relationship with the BUYER located at the SELLER's premises.
- 15.2 The SELLER will cooperate with the BUYER in order to facilitate BUYER's audit, including, in particular, by segregating and promptly producing such records as the BUYER may reasonably request, and otherwise making records and other materials accessible to the BUYER. The SELLER will preserve all records pertinent to its contractual relationship with the BUYER.
- 15.3 Any such audit or inspection conducted by the BUYER or its representatives will not constitute acceptance of any Supplies (whether in progress or finished), relieve the SELLER of any liability or prejudice any rights or remedies available to the BUYER.
- 16. SELLER Property**
- 16.1 Unless otherwise agreed, the SELLER, at its expense, will furnish, keep in good condition, and replace when necessary all machinery, equipment, tools, jigs, dies, gauges, fixtures, moulds, patterns and other items ("**SELLER Property**") necessary for the Supplies.
- 16.2 The SELLER grants the BUYER an irrevocable option to take possession of and title to the SELLER Property that is used exclusively for the production of the Supplies upon payment to the SELLER of its net book value less any amounts that the BUYER has previously paid to the SELLER for the cost of such items, but less any amounts owed by the SELLER to the BUYER; provided, however, that (i) this option will not apply if the SELLER Property is used to produce goods that are the standard stock of the SELLER or if a substantial quantity of these goods are being sold by the SELLER to third parties, and (ii) this option may only be exercised in connection with a termination of the contractual relationship between the Parties under Section 28 (*Termination for Cause*) or Section 30 (*Insolvency*).
- 17. Prices; Currency; Payment; Set-off and Recoupment; Invoices**
- 17.1 If not agreed otherwise, the price for each shipment of Supplies delivered by the SELLER to the BUYER, in accordance with these Terms, is due and payable by the BUYER according to following options:
 up to 30 days from receipt of invoice: -2%;
 up to 60 days from receipt of invoice: -1%; or
 up to 90 days from receipt of invoice: net.
- 17.2 The Price and payment terms stated in the Purchase Order are binding.
- 17.3 Each invoice from the SELLER to the BUYER must comply with applicable law, and include the following information regarding the corresponding shipment / performance of Supplies: (i) amount due (in the applicable currency); (ii) location of delivery or performance; (iii) shipment or delivery information; (iv) if

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

- applicable, relevant order or release number; (v) if applicable, the EU VAT number (and further taxation requirements as set out in Section 18 (Taxation); and (vi) for goods, net weight of the goods.
- 17.4 The BUYER may reject any invoice that is inaccurate or does not conform to these requirements, and the SELLER will promptly reissue any such rejected invoice. The BUYER's failure to reject an invoice does not constitute the BUYER's acceptance of the invoice or the Supplies to which such invoice pertains.
- 17.5 Unless a Purchase Order specifically states otherwise, all payments for the Supplies shall be made in the local currency of the SELLER's manufacturing location for the goods or in the case of services, in the local currency of the SELLER's location from which the services are provided.
- 17.6 Payments may also be made electronically (including, in particular, by bank transfer) or recorded bill of exchange. Where BUYER has reasonable grounds to believe that Supplies provided by the SELLER are subject to any liens, claims or encumbrances, BUYER may withhold payment pending receipt of evidence, in such form and detail as BUYER may direct, that such Supplies are free of any liens, claims and encumbrances.
- 17.7 In addition to any right of set-off or recoupment provided by law, all amounts due to the SELLER will be considered net of indebtedness of the SELLER and its affiliates to the BUYER and its affiliates; and the BUYER will have the right, with regard to payments due to the SELLER, to set-off against or to recoup from any amounts due to the SELLER and its affiliates from the BUYER and its affiliates.
- 18. Taxation**
- 18.1 Unless otherwise agreed between the Parties, the prices agreed with the SELLER for the Supplies will be exclusive of all transactional taxes, including any sales, use, excise, services, value added tax, goods and services tax, or similar tax, and these transactional taxes should be separately identified by the SELLER in both the SELLER's quote and in the Purchase Order, even if the tax rate is zero. The BUYER will not be responsible for any transactional taxes charged by the SELLER that are not identified in this manner.
- 18.2 The SELLER shall separately state all charges for transactional taxes on its invoices and/or other relevant documents. Additionally, the SELLER shall provide the BUYER with invoices in line with the applicable tax laws in the relevant country to enable the BUYER to reclaim the transactional taxes and the SELLER will provide such documentation as soon as practicable.
- 18.3 The SELLER is responsible for remitting the transactional tax to the applicable taxing authority except for those states or jurisdictions where the BUYER has provided the SELLER with an appropriate exemption certificate. The SELLER will use reasonable efforts to apply for such exemptions where applicable.
- 18.4 The SELLER will not charge the BUYER for any transactional taxes charged by its subcontractors.
- 19. Price and Cost Improvements; Competitiveness; Assurance of Performance**
- 19.1 The SELLER must remain competitive and shall continuously work on decreasing its production costs according to the standards and developments in the automotive industry.
- 19.2 If the SELLER has negotiated commercial terms directly with a BUYER Customer for Supplies to be sourced by the BUYER from the SELLER for a BUYER Customer Project, the SELLER is obliged to immediately (i) notify the BUYER of any price adjustments with regard to the Supplies agreed between the SELLER and the BUYER Customer; and (ii) reflect any price reductions in its contractual relationship with the BUYER, provided that any price increases require the BUYER's prior written consent in order to become effective.
- 19.3 In the event that the BUYER has reasonable grounds for doubts with respect to the SELLER's continued contractual performance, the BUYER may, in writing, demand adequate assurance of such performance from the SELLER.
- 20. Quality Assurance System**
- 20.1 The SELLER will comply in all respects with the BUYER's quality requirements and procedures, as well as with all applicable industry standards. The SELLER will meet the full requirements of the relevant Production Part Approval Processes ("PPAP") as specified by the BUYER, including IMDS data submission to Yazaki Europe company ID: 2335.
- 20.2 The SELLER will promote continuous improvement in the quality of the Supplies and the SELLER's manufacturing and logistics processes.
- 20.3 The SELLER shall maintain a quality assurance system in line with most recent Management Systems standards of the Automotive Industry, including, in particular, ISO9001 certification as a minimum, IATF16949:2016 quality certification, ISO 45001:2018 health and safety certification and ISO 14001:2015 environmental certification including registration, and any amendments, supplements and/or successor programs thereto.
- 21. Compliance with Law**
- 21.1 The SELLER, and any Supplies, will comply with all applicable laws, rules, regulations, orders, conventions, ordinances or standards of the country(ies) of production and destination or that relate to the manufacture, labelling, transportation, importation, exportation, licensing, approval or certification of the Supplies, including, in particular, those relating to environmental matters, the handling and transportation of dangerous goods or hazardous materials, data protection and privacy (in particular the EU General Data Protection Regulation 2016/679), (minimum) wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety, including, in particular the National Traffic and Motor Vehicle Safety Act, United States motor vehicle safety standards and European Union Directive 2000/53/EC, as well as all legislation as stated in BUYER's "Supplier Quality Manual".
- 21.2 The SELLER guarantees that neither it nor any of its subcontractors, vendors, agents or other associated third parties will utilize child, slave, prisoner or any other form of forced or involuntary labour, or engage in abusive employment or corrupt business practices.
- 21.3 The SELLER shall comply with all applicable anti-corruption laws, including, in particular, the United States Foreign Corrupt Practices Act and the United Kingdom Bribery Act; and neither it nor any of its subcontractors, vendors, agents or other associated third parties will engage in any form of commercial bribery, nor directly or indirectly provide or offer to provide, anything of value to or for the benefit of, any official or employee of a governmental authority or of any government-owned, government-controlled or government-affiliated entity to obtain or retain any contract, business opportunity or other business benefit, or to influence any act or decision of such a person in his/her official capacity.
- 21.4 The SELLER warrants and guarantees that it has not received or been offered any illegal or improper bribe, kickback, payment, gift, or similar material gratuity from a BUYER representative, employee or agent.
- 21.5 At the BUYER's request, the SELLER will certify in writing its compliance with the foregoing and will report any breach or violation of this Section immediately to the BUYER Legal & Compliance Department at compliance@yazaki-europe.com.
- 21.6 The SELLER will indemnify and hold the BUYER harmless from and against any liability, claims, demands or expenses (including, in particular, legal or other professional fees) arising from or relating to the SELLER's noncompliance with this Section 21.
- 22. Recall Campaigns**
- In the event either Party believes it may be necessary to conduct a recall, field correction, market withdrawal, stock recovery or similar action with respect to any Supplies which were sold under these Terms ("Recall Campaign"), or in the event a BUYER Customer, or governmental body / authority informs one of the Parties of its belief that a Recall Campaign might be necessary, the Parties shall promptly consult with each other as to how best to

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

proceed, it being understood and agreed that the final decision as to any Recall Campaign of any Supplies shall be made by the BUYER; provided, however, that neither Party shall be prohibited hereunder from taking any action that is required under applicable law.

23. Product Warranty; Warranty of Performance

23.1 The SELLER warrants and guarantees that the Supplies will conform to all specifications, drawings, samples, descriptions and quality standards furnished by the BUYER or a BUYER Customer, or furnished by the SELLER and approved by the BUYER in writing, and will be merchantable, free from any defects in design, material and workmanship and free from any third party rights and in compliance with all applicable laws.

23.2 The SELLER acknowledges that it knows of the BUYER's intended use of the Supplies and warrants and guarantees that the Supplies have been selected, designed, manufactured and assembled by the SELLER based upon the BUYER's stated use and will be fit and sufficient for the particular purposes intended by the BUYER or the BUYER Customers.

23.3 Unless otherwise set forth in these Terms, the duration of the warranty provided by the SELLER to the BUYER for the Supplies will begin on the date of receipt of the Supplies by the BUYER and end on the later of (i) the date of expiration of any warranty period provided under applicable law for the respective Supplies; (ii) the expiration of any warranty period applicable to the Supplies provided by the BUYER to the BUYER Customer for the end-product into which the Supplies are incorporated; or (iii) the expiration of any specific warranty period or performance standard provided in any document incorporated by reference to these Terms, including in the BUYER's (or the BUYER Customers') specifications or quality standards (including, in particular, the quality assurance systems referred to in Section 20 (*Quality Assurance System*)). In no event shall the warranty period be less than 48 months starting from the date of receipt of the Supplies by the BUYER.

24. Remedies; Indemnity

24.1 The rights and remedies reserved to the BUYER in its contractual relationship with the SELLER are cumulative with, and additional to, all other rights and remedies of the BUYER under applicable law.

24.2 If any of the Supplies are found at any time to be defective in design, material or workmanship, or otherwise not in conformity with the requirements of a Purchase Order, the BUYER, in addition to such other rights, remedies and choices as it may have under a Purchase Order or by law, at its option and sole discretion may: (i) reject and return such Supplies at the SELLER's expense; and/or (ii) require the SELLER to inspect the Supplies and remove and replace nonconforming Supplies with Supplies that conform to a Purchase Order. If the SELLER fails to promptly make the necessary inspection, removal and/or replacement, the BUYER may at its option and the SELLER's cost, inspect and repair or replace the Supplies.

24.3 Without limiting the foregoing, in the event that any Supplies fail to conform to the warranties set forth in these Terms or the product specifications agreed between the Parties, or if the SELLER otherwise breaches any of its obligations under its contractual relationship with the BUYER, the BUYER will be entitled to recover from the SELLER any and all damages, including, in particular, any direct, indirect, incidental and consequential damages and all legal and other professional fees and costs incurred by the BUYER as a result of such breach or failure, including, in particular, costs, fees, (extraordinary) expenses and losses incurred by the BUYER (i) in inspecting, sorting, testing, repairing or replacing nonconforming Supplies; (ii) resulting from production interruptions; (iii) in conducting Recall Campaigns or other corrective service actions; (iv) resulting from personal injury and death, (v) property damage; or (vi) in the transitioning of the sourcing of the Supplies from the Seller to a third party. The SELLER will indemnify and hold the BUYER harmless in respect of all costs, fees, (extraordinary) expenses,

losses, liabilities, claims and any other obligations resulting from such breach or failure, in particular warranty and product liability claims, costs of Recall Campaigns and other corrective service actions that, in the BUYER's or the affected BUYER Customers' reasonable judgment, are required to rectify non-conformities in the Supplies that are the result of a breach of the foregoing warranty, whether such Recall Campaigns are mandated by any governmental entity, by the BUYER Customers or by the BUYER.

24.4 In cases of liability depending upon culpability, however, this only applies if the SELLER is at fault. Insofar as the cause of the damage lies within the SELLER's sphere of responsibility, the SELLER bears the burden of proof that it is not at fault.

25. Specific Performance

The SELLER acknowledges and agrees that monetary damages will not always be a sufficient remedy for any actual or threatened breach by the SELLER and that, in addition to all other rights and remedies that the BUYER may have, the BUYER will be entitled to specific performance and temporary, preliminary and permanent injunctive relief in connection with any action to enforce its rights, without any requirement of a bond or other security to be provided by the BUYER.

26. Protection against Labour Disruptions; Force Majeure

26.1 The SELLER will, at its own expense, take such actions as are necessary or appropriate to ensure the uninterrupted supply of goods and services to the BUYER for not less than 25 Business Days during any foreseeable or anticipated labour disruption and/or the expiration of any of the SELLER's labour contracts.

26.2 Any delay or failure of either Party to perform its obligations towards the respective other Party will be excused to the extent that (i) the SELLER is unable to produce, sell or deliver; or (ii) the BUYER is unable to accept delivery, buy or use, the Supplies, as the result of an event or occurrence beyond the reasonable control of such Party, without such Party's fault or negligence (a "**Force Majeure Event**"), including, if applicable, actions by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, epidemics or pandemics, wars and sabotage; provided that written notice of such Force Majeure Event (including the anticipated duration of the delay) must be given by the affected Party to the respective other Party as soon as possible (but in no event more than five Business Days after the Force Majeure Event occurs). A Force Majeure Event shall also be deemed to exist in case that any such events occur at BUYER's Customers.

26.3 During any Force Majeure Event affecting the SELLER's performance, the BUYER may, at its option, source Supplies from other sources and reduce the deliveries sourced from the SELLER accordingly, without liability to the SELLER, or require the SELLER to provide Supplies from other sources in quantities and at times requested by the BUYER at the price agreed between the Parties for such Supplies.

26.4 The SELLER will use all diligent efforts to ensure that the effects of any Force Majeure Event are minimized and, as promptly as possible, resume full performance towards the BUYER. If requested by the BUYER in writing, the SELLER will, within three Business Days after the BUYER's request, provide adequate assurances that the delay in the SELLER's performance resulting from such event will not exceed 25 Business Days. If the delay lasts more than 25 Business Days or the SELLER does not provide such adequate assurances, the BUYER may immediately terminate its contractual relationship with the SELLER without liability to the SELLER.

27. Changes

27.1 By written notice to the SELLER, the BUYER and/or the BUYER Customer may, from time to time, direct changes, or direct the SELLER to make changes to the scope of the Supplies, including, in particular, with respect to such matters as inspection, testing or quality control, and the Parties will promptly discuss, reasonably and in good faith, any pricing adjustments (up or down) to be made in connection with such changes. Notwithstanding any such

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

- discussions, the SELLER will immediately implement such changes as directed by the BUYER.
- 27.2 In the event that the Parties are unable to reach an agreement on any pricing adjustments to be made in connection with such changes, any difference in price or time for performance resulting from such changes will be equitably adjusted by the BUYER based on a fair cost assessment after receipt of documentation in such form and detail as the BUYER may direct. The SELLER will accept any amendments issued by the BUYER implementing such changes.
- 27.3 The SELLER may not (i) relocate the production, manufacture or assembly of the Supplies from the facilities approved by the BUYER; (ii) change the location from which the Supplies are shipped; or (iii) change the manufacturing process of the Supplies or the SELLER Property for Supplies without the prior written consent of the BUYER.
- 28. Termination for Cause**
- 28.1 The BUYER may terminate all or any part of its contractual relationship with the SELLER, without liability to the SELLER, if the SELLER (i) breaches any term of its contractual relationship with the BUYER (including, in particular, the SELLER's warranties under Section 23 (*Product Warranty; Warranty of Performance*)); (ii) states its intention not to perform or otherwise rejects any of its contractual obligations towards the BUYER; or (iii) fails to make progress in performance so as to endanger timely and proper supply; provided, however, that if any failure or breach under the foregoing (i) through (iii) is curable, the BUYER will provide the SELLER an opportunity to cure within a commercially reasonable period of time under the circumstances; such period of time shall in no case exceed five Business Days after the BUYER provides notice of the failure or breach to the SELLER.
- 28.2 In addition, the BUYER may terminate all or any part of its contractual relationship with the SELLER upon giving at least 20 Business Days prior written notice to the SELLER, without liability to the SELLER, if a direct or indirect change in control or ownership of the SELLER occurs.
- 29. Termination for Convenience**
- 29.1 In addition to any other rights of the BUYER to terminate its contractual relationship with the SELLER, the BUYER may, at its sole discretion, terminate all or any part of the contractual relationship, at any time and for any reason, by giving written notice to the SELLER.
- 29.2 In the event the BUYER exercises its right to terminate for convenience under this Section, and, unless otherwise agreed, the BUYER will pay to the SELLER only the following amounts, without duplication: (i) the contract price for all Supplies that have been completed in accordance with the relevant agreement and not previously paid for; and (ii) the actual costs of work-in-progress and raw materials incurred by the SELLER in manufacturing / furnishing the Supplies, to the extent such costs are reasonable in amount and are properly allocable or apportionable under generally accepted accounting principles to the terminated portion of the contractual relationship; less, however, the sum of the reasonable value or cost (whichever is higher) of any goods or materials used, sold or scrapped by the SELLER with the BUYER's prior written consent and the cost of any damaged or destroyed goods or material.
- 29.3 The SELLER will promptly make available for delivery to the BUYER, as specified by the BUYER, any Supplies completed but not delivered as of the time of the BUYER's termination hereunder. Any request for payment submitted to the BUYER under this Section must include sufficient supporting data to permit an audit by the BUYER (in accordance with Section 15 (*Audit Rights; SELLER's Premises*)), including, in particular, such supplemental and supporting information as the BUYER may request.
- 29.4 Any request for payment under this Section must be in writing and include, in particular, a statement setting forth the contract price for the Supplies, invoices reflecting the actual cost of work-in-progress and raw materials, the basis for the allocation of such costs to the terminated portion of the contractual relationship, and any other supporting documentation reasonably requested by the BUYER.
- 29.5 Any amount otherwise due to the SELLER pursuant to this Section will be reduced by any amount owed by the SELLER to the BUYER.
- 29.6 Any payment under this Section will not be deemed a waiver of any of the BUYER's other contractual and/or statutory rights.
- 29.7 Notwithstanding any other provision in these Terms, the BUYER will make no payments under this Section for finished goods, services, work-in-progress or raw materials fabricated or procured by the SELLER in amounts in excess of those authorized in the BUYER's delivery schedules or any undelivered goods that are in the SELLER's standard stock or that are readily marketable. Further, any payments made under this Section will not exceed the aggregate price payable by the BUYER for Supplies that would have been produced or performed by the SELLER under the BUYER's delivery schedules outstanding at the date of termination.
- 29.8 Except as expressly provided in this Section, the BUYER will not be liable for and will not be required to make payments to the SELLER, directly or on account of claims by the SELLER's subcontractors, for loss of anticipated profit, overhead, interest, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, or general and administrative burden charges from termination of the contractual relationship. The payment specified in this Section is the SELLER's sole remedy for termination.
- 30. Insolvency**
- 30.1 The BUYER may immediately terminate its contractual relationship with the SELLER, without liability to the SELLER, in any one or more of the following or other comparable events: (i) insolvency of the SELLER (including, in particular, a circumstance in which the SELLER's liabilities exceed its assets or the SELLER is unable to pay its debts as they come due); (ii) appointment of a receiver, trustee or administrator over the SELLER or its assets; or (iii) execution of an assignment for the benefit of creditors by the SELLER, provided that such petition, appointment or assignment is not vacated or nullified within ten Business Days of such event.
- 30.2 The SELLER will inform the BUYER immediately should any of these events occur or the SELLER becomes aware of events or circumstances likely to give rise to any such events.
- 30.3 The SELLER shall reimburse the BUYER for all costs and expenses incurred by the BUYER in connection with any of these events (regardless of whether the BUYER exercises its termination rights with respect thereto, including, in particular, all legal or other professional fees, as well as costs for Transition Support under Section 31 (*Transition Support*) as applicable). Section 24.3 (*Indemnity; Warranty*) shall apply accordingly.
- 31. Transition Support**
- 31.1 Upon the BUYER's request to change to an alternative source of the Supplies ("**New Supplier**"), the SELLER is obliged to cooperate in the transition to such New Supplier and to provide, in particular, the following "**Transition Support**": (i) the SELLER will continue production and delivery of all Supplies as ordered by the BUYER, on the unaltered (commercial) terms stated in the respective Purchase Order, without premium or other condition, during the entire period reasonably required by the BUYER and/or the New Supplier to complete the transition to the New Supplier, such that the SELLER's action or inaction causes no interruption in the BUYER's ability to obtain the Supplies as needed; (ii) at no cost to the BUYER, the SELLER will promptly provide all requested information, documentation and access to the SELLER's manufacturing process, including on-site inspections, bill-of-material data, tooling and process detail and samples of the Supplies and components; and (iii) subject to the SELLER's reasonable capacity constraints, the SELLER will provide special overtime production, storage and/or management of extra inventory of the Supplies, extraordinary packaging and

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

- transportation and other special services as requested by the BUYER.
- 31.2 In the event of a termination for convenience under Section 29 (*Termination for Convenience*), the BUYER will reimburse the SELLER for the actual reasonable costs and expenses incurred (and estimated in advance) by the SELLER for the Transition Support, against adequate evidence and upon a corresponding invoice. Section 17 (*Prices; Currency; Payment; Set-off and Recoupment; Invoices*) shall apply accordingly.
- 31.3 In the event of a termination by the SELLER or a termination for cause under Section 28 (*Termination for Cause*), the SELLER shall bear all costs and expenses for the Transition Support. Section 24.3 (*Indemnity; Warranty*) shall apply accordingly.
- 32. Intellectual Property Rights**
- 32.1 This Section will apply where the Parties have not entered into a separate agreement with respect to the Parties' Intellectual Property Rights (as defined below) that expressly prevails over these Terms.
- 32.2 "**Intellectual Property Rights**" means any patents, patented articles, patent applications, designs, industrial designs, copyrights, software, source code, database rights, moral rights, inventions whether or not capable of protection by patent or registration, techniques, technical data, trade secrets, know-how, and any other proprietary right, whether registered or unregistered, including applications and registrations thereof, all related and continuing rights, and all similar or equivalent forms of protection anywhere in the world.
- 32.3 Intellectual Property Rights excludes all brands, trademarks, trade names, slogans and logos of the SELLER and the BUYER unless specifically identified as a deliverable or work product of the SELLER. With respect to any such excluded rights, the SELLER shall not obtain any right, title or interest therein, even if at the BUYER's express instruction the SELLER shall include such excluded rights.
- 32.4 "**Background Intellectual Property Rights**" means any Intellectual Property Rights of either the BUYER or the SELLER relating to the Supplies (i) existing prior to the effective date of a Purchase Order or prior to the date the Parties began any technical cooperation relating to the Supplies, whichever is earlier, or (ii) that each Party acquires or develops after these dates but in a strictly independent manner and entirely outside of any work conducted for or with the respective other Party.
- 32.5 "**Foreground Intellectual Property Rights**" means any Intellectual Property Rights, except Background Intellectual Property Rights, (i) that are developed in whole or in part by the BUYER alone, by the Parties jointly or by the SELLER alone, in connection with a contractual relationship of the Parties or (ii) relating to the Supplies.
- 32.6 The Parties will each retain ownership of any Foreground Intellectual Property Rights that are solely created or made by their respective employees, agents or subcontractors ("**Personnel**"). The Parties will jointly own any Foreground Intellectual Property Rights that are jointly created or made by Personnel of both Parties with the ability to grant licenses without consultation and no duty of accounting to each other for any use or purpose. For clarity, unless an express written period of exclusivity has been promised to the BUYER, Foreground Intellectual Property Rights owned or controlled by the SELLER may be immediately exploited by the SELLER in connection with its business with its other customers and will not be exclusive to the SELLER's performance towards the BUYER. The SELLER hereby grants to the BUYER and causes its affiliates and Personnel to grant to the BUYER, an irrevocable, worldwide, non-exclusive, perpetual to the maximum extent permitted by law, royalty free, fully paid-up license, with right to sublicense to the BUYER's affiliates and BUYER Customers, to all Foreground Intellectual Property Rights owned by the SELLER solely or jointly with the BUYER to make, have made, use, reproduce, modify, improve, prepare derivative works of, distribute, display, perform, offer to sell, sell and import the Supplies that are the subject of these Terms, without limitation.
- 32.7 The Parties will each retain ownership of their respective Background Intellectual Property Rights. The SELLER hereby grants to the BUYER and causes its affiliates and Personnel to grant to the BUYER, an irrevocable, worldwide, non-exclusive, perpetual to the maximum extent permitted by law, royalty free, fully paid-up license, with right to sublicense to the BUYER's affiliates and BUYER Customers, to all Background Intellectual Property Rights to make, have made, use, reproduce, modify, improve, prepare derivative works of, distribute, display, perform, offer to sell, sell and import the Supplies that are the subject of these Terms (the "**Limited License**"), provided that the BUYER or its affiliates and BUYER Customers will only use this Limited License in the event that (i) the SELLER breaches or repudiates its obligations by being unable or unwilling to deliver Supplies, or (ii) in the event the SELLER is unable to provide Supplies as a result of a Force Majeure Event, but in such event only for the duration of the SELLER's inability to supply.
- 32.8 To the extent that the BUYER issues Purchase Orders for the creation of copyrightable works, these works will be considered "works made for hire" for the BUYER except to the extent that the works do not qualify as "works made for hire" for the BUYER, in which case the SELLER hereby assigns to the BUYER, to the extent permitted under applicable law, all right, title and interest in all copyrights and if lawfully permitted waives all moral rights therein.
- 32.9 For the avoidance of doubt, the BUYER, its affiliates, its subcontractors and BUYER Customers have the right to repair, reengineer, reconstruct, remanufacture, or rebuild the specific Supplies delivered by the SELLER without payment of any royalty to the SELLER.
- 32.10 Supplies manufactured based on the BUYER's drawings, designs, and/or specifications as well as any software code or models provided by the BUYER may not be used for the SELLER's own use or sold to third parties without the BUYER's prior written consent.
- 32.11 Nothing in these Terms is an admission by the BUYER of the validity of any Intellectual Property Rights claimed by the SELLER, including an admission that any license is required by the BUYER to manufacture / continue the Supplies. The SELLER will claim and acquire all rights and waivers of the SELLER's Personnel required to enable the SELLER to grant the BUYER the rights and licenses under these Terms. The SELLER assumes full and sole responsibility for compensating the SELLER's Personnel for such rights and waivers, including the remuneration of employees.
- 32.12 The SELLER, on behalf of itself and the BUYER and the BUYER Customers will comply with all obligations with respect to software that forms any part of the Supplies, including obligations under any licenses.
- 32.13 The SELLER will investigate, defend, hold harmless and indemnify the BUYER, its affiliates and the BUYER Customers ("**IP Indemnified Parties**") against any actual or alleged claims of infringement or other assertions of proprietary rights violations (including patent, trademark, copyright, industrial design right, or other proprietary right, misuse, or misappropriation of trade secret) and resulting damages and expenses (including legal and other professional fees) arising in any way in relation to the Supplies, including such claims where the SELLER has provided only part of the Supplies (collectively "**IP Claims**"). The SELLER expressly waives any claim against the IP Indemnified Parties that any such IP Claims arose out of compliance with any IP Indemnified Parties' specification or direction.
- 33. Subcontracting**
- 33.1 The SELLER may not outsource or subcontract any of its obligations towards the BUYER, without the BUYER's prior written consent.
- 33.2 Any such consent of the BUYER will not release the SELLER from, or limit, any of the SELLER's liability. The SELLER warrants and guarantees that any such subcontractor's performance will satisfy all requirements applicable to the SELLER under its relationship with the BUYER.

GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

- 33.3 The SELLER remains responsible and is liable for the performance of any approved subcontractor and shall ensure that any (approved) subcontractor meets all requirements agreed in these Terms.
- 33.4 For this purpose, the SELLER shall carry out inspections or on-site audits of the (approved) subcontractor and any sub-suppliers on a regular basis and as directed by the BUYER. The SELLER shall also take all reasonable steps to enable the BUYER to audit the SELLER's subcontractors and sub-suppliers and shall reasonably assist the BUYER with such audits.
- 34. Insurance**
 - 34.1 The SELLER is obliged to take out adequate insurance against the risks of a Recall Campaign, product liability and business interruption at an insurance coverage rate acceptable to the BUYER.
 - 34.2 The SELLER will insure the SELLER Property with coverage for all losses for its replacement value.
 - 34.3 The SELLER will furnish to the BUYER either a certificate showing compliance with these insurance requirements or certified copies of all insurance policies within five Business Days of the BUYER's written request.
 - 34.4 The certificate will provide that the BUYER will receive 20 Business Days' prior written notice of any termination or reduction in the amount or scope of coverage.
 - 34.5 The SELLER's furnishing of certificates of insurance or purchase of insurance will not release the SELLER of any of its obligations or liabilities towards the BUYER.
- 35. Confidentiality; No Advertising**
 - 35.1 No Party shall disclose any Confidential Information to any authority, third party or the public unless such Party is legally obliged to disclose such information or such disclosure is necessary for the provision of the Supplies. "**Confidential Information**" means information which has been made available (whether before or after the date of this Agreement) by the disclosing Party in written, visual or machine readable form (including by fax and other forms of electronic transmission) or orally to the respective other Party with regard to the Agreement and/or the Supplies, and includes any information, analyses, compilations, notes, studies, memoranda or other documents derived from, containing or reflecting such information, but excludes information which: (i) was already lawfully in the recipient Party's possession at the time of disclosure thereof; (ii) is or later becomes part of the public domain through no fault of the recipient Party; or (iii) is received from a third party having no obligations of confidentiality to the disclosing Party.
 - 35.2 The SELLER will not, without first obtaining the prior written consent of the BUYER, in any manner (i) advertise or publish the fact that the SELLER has contracted to furnish Supplies for the BUYER; (ii) use the BUYER's trademarks, trade names or information in the SELLER's advertising or promotional materials; or (iii) use the BUYER's Intellectual Property Rights, trademarks, trade names or (confidential) information in any form of electronic communication such as web sites (internal or external), blogs or other types of publication.
- 36. Non-Assignment**
 - 36.1 Under no circumstances may the SELLER transfer, assign or delegate, in whole or in part, any of its rights or obligations under its contractual relationship with the BUYER (including, in particular, any right of payment), whether directly or indirectly without the BUYER's prior written consent.
 - 36.2 The BUYER is entitled to assign its rights and obligations in whole or in part, in particular to its affiliates or to a BUYER Customer.
- 37. Governing Law and Jurisdiction**
 - 37.1 These Terms and any claims relating to the Supplies provided by the SELLER will be governed by the laws of the country (and state/province, if applicable) of the BUYER entity issuing the respective order ("**BUYER Location**"), excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any conflict of law provisions that would require application of another choice of law.
 - 37.2 Any action or proceedings by the BUYER against the SELLER may be brought by the BUYER in any court(s) having jurisdiction over the SELLER or, at the BUYER's option, in the court(s) having jurisdiction over BUYER Location, in which event the SELLER consents to such jurisdiction and service of process in accordance with applicable procedures.
 - 37.3 Any actions or proceedings by the SELLER against the BUYER may be brought by the SELLER only in the court(s) having jurisdiction over the BUYER Location.
- 38. Written Form**

Amendments and additions to these Terms must be in writing in order to be effective, unless a stricter form is required by law; this also applies to this written form clause.
- 39. No Waiver**

The failure of the BUYER at any time to require performance by the SELLER will in no way affect the right to require such performance at any time thereafter.
- 40. Severability**

If any provision in these Terms is invalid or unenforceable under applicable law or regulation, such term will be deemed revised or deleted, as the case may be, but only to the extent necessary to comply with such applicable law or regulation, and the remaining provisions of these Terms will remain in full force and effect.

* * *

Definitions

Background Intellectual Property Rights.....	8	BUYER Property	3
Business Days	2	BUYER-owned Tooling	4
BUYER.....	1	Call-off Orders.....	2
BUYER Customer.....	1	Confidential Information.....	9
BUYER Customer Claim.....	1	EOP	2
BUYER Customer Project	1	Export Control Laws	3
BUYER Customer Requirements	1	Force Majeure Event.....	7
BUYER Location.....	9	Foreground Intellectual Property Rights.....	8



GENERAL TERMS OF PURCHASE (Automotive) of YAZAKI EUROPE GROUP (incl. Russia, Turkey and North Africa)

Incoterms.....	3	Purchase Order(s)	1
Intellectual Property Rights	8	Recall Campaign.....	6
IP Claims	9	Release-Orders	2
IP Indemnified Parties.....	9	SELLER.....	1
Limited License	8	SELLER Property.....	5
New Supplier	8	Spare Parts.....	2
Order(s)	1	Spot-Orders.....	2
Party/-ies	1	Supplies.....	1
Personnel.....	8	Terms.....	1
PPAP	5	Transition Support	8