

# 1. Acceptance

This Purchase Order is expressly limited to, and expressly made conditional on, Supplier's acceptance of the terms and conditions contained herein, on the face of the Purchase Order, and in aeA's Vendor Manual (a copy of which is available at:

#### https://www.autoelectric.com/en\_us/supplierportal/downloads/)

(collectively referred to as "Terms"). Supplier's commencement of work on goods or services for aeA and/or its continuing and ongoing performance under the Contract Documents shall serve as evidence of and constitute Supplier's acceptance of these Terms. Any differing or additional terms and conditions from Supplier are expressly rejected absent a written agreement to such Terms, signed by aeA.

## 2. Contract Documents

The Parties intend to and will use additional documents to supplement the terms herein and further define the purchasing relationship between the Parties, which include Purchase Orders, product specifications, PPAPs, and aeA's Vendor Manual (a copy of which is available at:

#### https://www.autoelectric.com/en\_us/supplierportal/downloads/),

which are collectively incorporated into the Contract between Supplier and aeA and referred to herein as "Contract Documents." Any collateral agreements, changes and/or amendments to these Contract Documents shall only be effective if confirmed by aeA in writing.

## 3. Orders

Deliveries may be called via remote data transmission. The call-off procedures for production materials and other minimum logistics requirements are stipulated in the Logistics Guideline (attached as Appendix II to the aeA Vendor Manual), as well as in individual logistics agreements. Demand forecasts shall only be for capacity planning purposes and shall neither establish any purchase obligation nor caps for the quantities called. aeA shall be entitled to make changes relating to design, delivery and delivery time for any orders not yet (completely) executed. In such case, any consequences, in particular higher or lower costs and delivery times, are to be mutually agreed upon. Electronic orders shall be valid without signature or qualified signature.

#### 4. Price

The Price set forth on the face of this Purchase Order are firm, or if no price appears thereon, then no higher than the last price quoted or charged by the Supplier for the same goods or services. Supplier certifies that the prices specified in the Contract Documents are as low as or lower than prices quoted by Supplier to any other customer purchasing the same type and/or quantity of Items as aeA. In the event that the published prices of Supplier for the Items covered by the Contract Documents are reduced below the aeA Price, or if Supplier provides or agrees to provide the type and/or quantity of Items covered by Contract Documents to any other customer for a price lower than the aeA Price, aeA shall receive the benefits of such reduction and shall pay the aeA Price decreased by the amount of such reduction or difference in price.

# 5. Payments

aeA will pay Supplier for amounts owed to Supplier for conforming Items accepted by aeA (the "Supplier Payables"). Payments shall be made with reservation to free from defects delivery and shall not be deemed to be an acceptance without reservations. Payments shall be made upon receipt of the goods in accordance with the contract and receipt of an invoice in due and verifiable form. Payments shall be made, at Customer's option, with 1.0% discount for payment within 10 days or within 60 days net, but in each case only after receipt of the goods and invoice in due form, unless different payment conditions were agreed upon in writing. The due date for payment for early deliveries made before the agreed upon delivery date will be based on the originally agreed upon delivery date. Notwithstanding any other provisions of the Contract Documents to the contrary, aeA will have no obligation whatsoever to make any payment on Supplier Payables, unless and until aeA is in receipt of a Conforming Invoice with respect to the Items at issue.

# 6. Set-off

Prior to or as part of any payment to Supplier, aeA reserves the right, in its sole discretion, to set-off against any amount(s) owed to Supplier: 1. any

amount(s) owed by Supplier to any subcontractor with respect to any Item; 2. the amount of any claims of aeA against Supplier and/or subcontractor arising out of or related to their performance in respect to any Item; 3. the amount of any damages to aeA arising out of or related to any Default by Supplier or subcontractor with respect to these Terms, Contract Documents or any subcontract; and/or 4. any amount owed to any third party, including government authorities, whether by or on behalf of Supplier or any subcontractor, which arise under or are related to these Terms, the Contract Documents, subcontract or Item.

#### 7. Delivery

TIME IS OF THE ESSENCE and deliveries shall be made both in quantities and at times specified in aeA's schedules. Unless otherwise agreed upon, delivery shall be made DDP (Incoterms<sup>®</sup> 2010). In such case, delivery date relates to the arrival of the goods at the place of destination. The Supplier shall not be allowed to make excess or short deliveries unless agreed upon with aeA in advance. Excess deliveries and early deliveries may be returned at the Supplier's risk and expense and/or the Supplier may be obliged to pay storage costs therefor. If Supplier fails to comply with delivery times and quantities, aeA shall maintain its rights to all remedies available pursuant to these Contract Documents and to all remedies available under the law.

## 8. Supply of Spare Parts

After the end of serial production for the automobile industry, the Supplier must ensure the delivery of required spare parts for a period of at least 15 years.

# 9. Tooling/Equipment

Manufacturing equipment such as models, samples and drawings as well as tools provided to the Supplier by aeA shall remain aeA's property and must be returned to aeA upon request. The Supplier may only use such manufacturing equipment for aeA. To the extent applicable, Supplier shall comply with all requirements in the General Tooling Agreement (Appendix III to Vendor Manual) and any Specific Tooling Agreements entered into by the Parties. Individual Tooling Agreements shall prevail.

# 10. Non-Conforming Goods

Supplier acknowledges that aeA will not perform incoming inspections of the goods, and waives any rights to require aeA to conduct such inspections. To the extent that aeA rejects goods as non-conforming, the quantities under this Purchase Order will automatically be reduced unless aeA notifies Supplier. Supplier will not replace quantities so reduced without a new contract or schedule from aeA. Non-confirming goods will be held by aeA in accordance with Supplier's instructions at Supplier's risk. Supplier's failure to provide written instructions within 10 days, or such shorter period as may be commercially reasonable under the circumstances, after notice of nonconformity shall entitle aeA, at aeA's option, to charge Supplier. Payment for nonconforming goods shall not constitute an acceptance of them, limit or impair aeA's right to assert any legal or equitable remedy, or relieve Supplier's responsibility for latent defects.

# 11. Quality/Documentation

Supplier shall comply with the requirements of aeA's Quality Guidelines for production materials (attached as Appendix I to aeA's Vendor Manual), with zero-defect. If aeA requests initial samples and type samples, Supplier may not commence serial production without aeA's express written consent. Supplier shall inform aeA of possible improvements and technical changes. Any changes to the delivery item, including relocation of production shall require the aeA's express prior consent. aeA shall be entitled to perform audits and inspect quality- related documents at the Supplier's upon prior notice. Supplier shall be obliged to retain its product-related documents for a period of not less than 15 years. Supplier shall be obliged to maintain a manufacturer's liability insurance and a product liability insurance, including coverage for recall costs with a reasonable amount covered and produce evidence for such insurance upon request. The Supplier shall bind its sub-suppliers accordingly as to all requirements above.

#### 12. Force Majeure

Any delay or failure of either party to perform its obligations shall be excused if Supplier is unable to produce, sell or deliver, or aeA is unable to accept delivery, buy or use, the goods or services covered by this Contract, as the

# General Terms and Conditions of Purchase for deliveries and services Nexans autoelectric of America, Inc. ("aeA")



result of an event or occurrence beyond the reasonable control of the party and without its fault or negligence, including, but not limited to, acts of God, actions by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars, sabotage, labor problems (including lockouts, strikes and slowdowns), inability to obtain power, material, labor equipment or transportation, or court injunction or order; provided that written notice of such delay (including the anticipated duration of the delay) shall be given by the affected party to the other party as soon as possible after the event or occurrence (but in no event more than 10 days thereafter). During the period of such delay or failure to perform by Supplier, aeA, at its option, may purchase goods and services from other sources and reduce its schedules to Supplier by such quantities, without liability to Supplier, or have Supplier provide the goods and services from other sources in quantities and at times requested by aeA, and at the price set forth in this Contract. If requested by aeA, Seller shall, within 10 days, provide adequate assurances that the delay shall not exceed 30 days. If the delay lasts more than 30 days or Supplier does not provide adequate assurance that the delay will cease within 30 days, aeA may immediately terminate this Contract without liability. In addition, Supplier at its expense shall take such actions as are necessary to ensure the supply of goods and services to aeA for a period of at least 30 days during any anticipated labor disruption or resulting from the expiration of Supplier's labor contract(s).

#### 13. Compliance with Applicable Laws

Supplier will comply with (and all Items manufactured, produced or supplied by Supplier to aeA will comply with) all applicable federal, state, local and provincial statutes, rules and regulations, orders, conventions, ordinances or standards of (i) the United States or (ii) other country or countries where Items are manufactured, produced or acquired, including, without limitation, those which directly or indirectly relate to (i) the manufacture of vehicles, vehicle equipment, vehicle materials or vehicle supplies, (ii) the labeling, transportation, importation, exportation, licensing, approval or certification of any Item, or any vehicle incorporating any Item and/or (iii) environmental, vehicle safety, data protection, privacy, wages, hours and conditions of employment, subcontractor selection, discrimination, immigration and occupational health and safety (collectively, the "Manufacturing and Legal Requirements"). As part of the Manufacturing and Legal Requirements Supplier represents, for itself and for its agents, employees and subcontractors, that it has not and does not use slave, prisoner, child or any other form of forced or involuntary labor in the manufacture, production or supply of Items to aeA under these Terms and the Contract Documents.

#### 14. Warranty

Supplier expressly warrants that the products sold to aeA hereunder shall be free from defects in materials and workmanship. Supplier warrants that all services provided to aeA shall be performed in good and workmanlike manner. All good and services shall conform to aeA's Specifications and, if applicable, acceptance criteria to which aeA has agreed to in writing. Supplier warrants that all products sold hereunder will be merchantable and fit for the use and purpose for which they are intended by aeA. If aeA does not provide the design for the products sold hereunder, Supplier expressly warrants that the design shall be free from defects. For any products which contain patented, copyrighted, or trademarked components, Supplier further warrants that it has all rights to such intellectual property sufficient to permit its full and complete performance hereunder and afford aeA all of the benefits provided for herein. Supplier's Warranties are in addition to all warranties implied or provided by law. Supplier's warranty obligations shall further be governed by the terms in the aeA Vendor Manual.

#### 15. Confidential Information

The parties agree that any and all commercial or technical details disclosed in the course of the business relationship which are not already in the public domain shall be treated as business secrets. Drawings, models, jigs, samples and other items must not be given or otherwise made accessible to unauthorized third parties. The contractual partners shall not be allowed to use their business relationship for advertising purposes without the prior written consent of the other partner. The Supplier shall bind its sub-suppliers accordingly as to all the requirements above. Separate confidentiality agreements shall prevail.

#### 16. Intellectual Property

"Intellectual Property" shall mean (collectively) for any party (i) any patent, trade secret, trademark, service mark, copyright, mask work, or other intellectual property right of such party in information (electronic or written), documents, or property and (ii) all sketches, drawings, blueprints, CAD designs or renderings, process sheets, dimensional layouts, test and trial result data and similar data that is proprietary to such party and which is used (directly or indirectly) or otherwise made available to the other party for or in connection with the manufacture, supply or production of any Items. Intellectual Property shall be Confidential Information. Supplier's obligations with respect to Intellectual Property shall be governed by the terms in aeA's Vendor Manual.

#### 17. Governing Law; Choice of Forum

The rights and obligations of the Parties under these Terms and the Contract Documents shall be governed by the laws of the State of Texas, without regard to its conflict of laws rules. Any action or proceeding by aeA against Supplier may be brought by aeA in any court having jurisdiction over Supplier, or at the option of aeA, in the courts having jurisdiction over aeA, in which event Supplier consents to jurisdiction and service of process in accordance with applicable procedures. Any action or proceeding by Supplier against aeA may be brought by Supplier only in the courts located in the State of Texas.

#### 18. Indemnity

Supplier shall indemnify, hold harmless and defend aeA and its employees, agents, servants and representatives from and against any and all claims, damages, losses, liabilities and expenses, including, without limitation, reasonable attorney's fees and costs, of whatever nature, directly or indirectly, caused by or arising out of any action, omission or operation under these Terms or the Contract Documents attributable in whole or in part to Supplier or any subcontractor, any of their respective employees, agents, servants and representatives, or any other person, including aeA, its employees, agents, servants and representatives; provided, however, that Supplier shall not be required to indemnify aeA or its employees, agents, servants and representatives hereunder for any such claims, damages, losses and liabilities, caused solely and exclusively by the negligence of aeA, its employees, agents, servants and representatives where such indemnification is contrary to law. It is the intent of the parties that Supplier shall indemnify aeA, and its employees, agents, servants and representatives to the fullest extent permitted by law.

#### 19. Order of Precedence

In the event of any inconsistencies or ambiguities between these Terms and any Contract Documents, these Terms shall control, except for (a) matters that under these Terms are to be established in the Contract Documents and (b) provisions in the Contract Documents which, by their express terms, are intended to supersede the corresponding provision in these Terms.

#### 20. Severability

If any provision of these Terms or the Contract Documents is held to be invalid, prohibited or unenforceable in any applicable jurisdiction, then as to such jurisdiction, and provided the essential terms of these Terms and the Contract Documents for aeA remain valid, binding and enforceable, these Terms and the Contract Documents shall be ineffective only to the extent of such invalid, prohibited or unenforceable provisions without invalidating the remaining provisions of these Terms or the Contract Documents or affecting the validity or enforceability of such provisions in any other jurisdiction.

#### 21. Entire Agreement

This Contract, together with the attachments, exhibits, supplements or other terms of aeA specifically referenced in this Contract, constitutes the entire agreement between Supplier and aeA with respect to the matters contained in this Contract and supersedes all prior oral or written representations and agreements. This Contract may only be modified by a contract amendment signed by aeA. SUPPLIER ACKNOWLEDGES AND AGREES THAT ITS PERFORMANCE IS MADE SUBJECT TO THE CONTRACT DOCUMENTS, ALL OF WHICH ARE HEREBY INCORPORATED BY REFERENCE, NOTWITHSTANDING THAT SOME OF THE TERMS AND PROVISIONS ARE CONTAINED IN DOCUMENTS WHICH ARE NOT ATTACHED TO THESE TERMS.