

Purchase and Order Terms and Conditions of the Kendrion Group

1. General, Scope

- 1.1 These terms and conditions for purchases and orders ("these Terms") apply to all purchases and orders – including future purchases and orders – agreed by us with the suppliers named in section 1.2.
- 1.2 These Terms apply only to persons who on conclusion of the contract act in pursuance of their commercial or independent professional activities ("Business") and to legal persons of public law or a public-law special fund (collectively the "Supplier"). They do not apply to individuals concluding the contract for a purpose that cannot be attributed to either their commercial or their independent professional activities ("Consumer").
- 1.3 These Terms apply exclusively. Any supplementary conflicting or deviating general terms and conditions of the Supplier will apply only if and to the extent that we have expressly approved such terms. This requirement of approval applies in any event, i.e. even if we accept the Supplier's delivery without reservation while being aware of its general terms and conditions.
- 1.4 The following companies are part of the Kendrion Group:
 - Kendrion (Villingen) GmbH with business seat in Villingen-Schwenningen, Germany;
 - Kendrion (Donaueschingen/Engelswies) GmbH with business seat in Donaueschingen und Engelswies, Germany;
 - Kendrion (Markdorf) GmbH with business seat in Markdorf, Germany;
 - Kendrion (Aerzen) GmbH with business seat in Aerzen, Germany;
 - Kendrion (Eibiswald) GmbH with business seat in Eibiswald, Austria;
 - Kendrin (UK) Ltd. with business seat in Bradford, UK;
 - Kendrion (Prostějov) s.r.o. mit Sitz in Prostějov, Tschechien;
 - Kendrion Kuhnke Automotive GmbH, with business seat in Malente, Germany;
 - Kendrion Kuhnke Automation GmbH with business seat in Malente, Germany;
 - Kendrion Automotive (Sibiu) S.R.L. mit Sitz in Sibiu, Rumänien;
 - Kendrion Industrial (Sibiu) S.R.L. mit Sitz in Sibiu, Rumänien;
 - Kendrion Kuhnke (Sweden) AB with business seat in Kristianstad, Sweden;
 - any subsidiaries of the aforementioned companies.

2 Order, order confirmation, production changes

- 2.1 Our orders are binding only if made or confirmed in writing. We agree to be bound by an order for a period of two weeks from the date of the order. The minimum order value is € 500.-.
- 2.2 The supplier will check that the contents of our order are correct and that the material is adequate for its intended purpose. Should there be any doubt with regard to applicability the supplier will inform us without delay.
- 2.3 Our order must be confirmed by the supplier in writing. Order confirmations which we receive only after the two-week commitment period (section 2.1) has expired or which deviate from the order will be treated as a new offer of contract. The contract will be brought about only if and when we accept the new offer of contract in writing.
- 2.4 Any obvious errors and / or typing errors contained in the order may be corrected by us alter conclusion of the contract.
- 2.5 Changes to delivery items either in design or construction may be made by the supplier only with our prior written

consent. This applies also to tools and equipment approved by us (Section 11.4 below) in both design and construction. We may make requests for reasonable changes to the design and/or construction of the delivery items. Any resulting increase or decrease in costs and any resulting changes to delivery dates will be reasonably and amicably agreed.

3. Prices

- 3.1 Agreed prices are fixed prices. If not identified as an additional price component, VAT is included in the price.
- 3.2 In the absence of a specific agreement, the agreed prices are quoted Delivered Duty Paid (DDP)/place of destination as defined in Incoterms 2010 (No. 5.1). If the specific place of destination has not been stated, the place of destination shall be the seat of the group company named in section 1.4 with a contractual or supply relationship to the supplier

4. Date of delivery

- 4.1 The agreed delivery period is binding. The delivery period begins on the day the order is accepted by the supplier or in the event of a new offer by the supplier upon receipt of our written acceptance (section 2.3). The main criterion for adherence to the delivery period is the delivery of the goods to the place of destination.
 - 4.2 Should circumstances prevent adherence to the agreed delivery date after the order has been confirmed or after our acceptance of the new offer of contract, the supplier will inform us without delay, stating the reason for and expected duration of the delay. In the event of delays caused by acts of God or unavoidable industrial disputes, we may alter an appropriate period and without accruing entitlements to the supplier withdraw from the contract in full or part or demand completion of the order at a later date.
 - 4.3 Primarily to ensure fulfilment of the obligation to deliver, the supplier undertakes in the event of delay to pay a contract penalty in the amount of 0.25% of the order value for each full working day of the delay (not including Saturdays) to a maximum of 5% of the order value. If the delay is in regard to only part of the order, the contract penalty will be calculated from the value which is apportionable to that part of the order. The same applies if the delay ends at different dates. The order value always includes VAT. We can state our intention to retain a contract penalty within one week of delivery of the goods. The right to assert a claim for higher damages and the rights defined in section 4.5 remain unaffected, and the contract penalty paid will be credited against any claim for damages.
 - 4.4 The contract penalty defined in section 4.3 will also be imposed if the supplier, having undertaken to supply a defined category of goods, fails to meet the delivery date because the goods supplied are deficient and we return them and request rectification of the deficiency or a replacement delivery.
 - 4.5 In the event of delayed delivery, we can withdraw from the contract and/or seek compensation for damages in lieu of performance after a reasonable period of grace required by law and set by us has elapsed without success.
- ### 5. Delivery and performance, shipment, documentation, return of packaging
- 5.1 In the absence of a specific agreement, delivery of goods shall be made DDP/place of destination (Delivered Duty Paid) in accordance with Incoterms 2010 (section 3.2).
 - 5.2 Advance, partial and excess deliveries are allowed only with our consent.
 - 5.3 Transportation to the place of destination is at the expense and risk of the supplier by rail, post or forwarding agency as specified by us. The supplier may arrange any transportation other than determined by us only with our prior approval. We will not withhold such approval other than for good cause.

- 5.4 The place of destination defined in the purchase order is the place of fulfilment for all supplier performances.
- 5.5 Each delivery must be accompanied by a bill of delivery containing standard commercial delivery information, in particular order number, an exact description of the goods, the quantity delivered, dimensions, weights and packaging. For deliveries made by rail or forwarding agency, this information must also be included in the bills of lading and/or other documents accompanying the goods. Delays in processing are unavoidable if the supplier fails to provide this information in part or in full and any resulting additional costs and losses will be borne by the supplier.
- 5.6 In addition to the usual accompanying documents, foreign suppliers must also provide customs documentation.
- 5.7 Delivery is complete only on provision of the associated documentation. Performance of the contract is not completely fulfilled until the documentation has been delivered in full. We reserve the right to retain a reasonable amount of the purchase price until all documentation has been delivered.
- 5.8 Where the supplier is required by law to take back packaging, it must be collected from our premises at the supplier's expense. If the supplier wishes us to send the return packaging, the supplier will bear the associated costs.
- 6. Rights with regard to defects of material, provision of spare parts**
- 6.1 In the event of material defect, we reserve the right to the applicable legal entitlements and claims defined in section 6.3 and section 6.4. The supplier will comply with the provisions relevant to the product applicable in the country of destination, such as accident prevention regulations, environmental laws and EU directives. Where the supplier has provided a guarantee, the guarantee rights are added to the statutory warranty rights.
- 6.2 Where the supplier is headquartered in a country different from the group company named in section 1.4 with whom he has a contractual or supply relationship, we must examine the goods and/or documentation only with respect to such defects and must notify only such defects which are apparent on handover of the goods and/or documentation. If no further examination is performed or if no further defects are notified, we will not lose the right to invoke such defectiveness.
- 6.3 In cases of particular urgency, we are entitled (after prior consultation with the supplier to establish whether the supplier is in a position to rectify the problem immediately) to replace or repair damaged items and repair damage caused at the expense of the supplier, or to have a third party do so at the expense of the supplier.
- 6.4 If the supplier delays fulfilment of our claims for defects, we will be entitled to replace or repair defective parts and remove any damage at the expense of the supplier or have third parties to do so at the supplier's expense.
- 6.5 In the event that we incur expenses to rework or replace a newly manufactured item sold to the customer as a result of a warranty for defects under the purchase agreement, we may demand compensation for these expenses from the supplier if the defect claimed by our customer is caused by goods delivered by the supplier and the defect was present when the goods were delivered to us. We remain entitled to this claim for compensation regardless of whether we resell the supplier's goods unchanged or after further processing, alteration or installation.
- 6.6 The period of limitation for claims for material defects for delivery of movable goods, with the exception of goods used in normal circumstances for construction, and the claim for compensation defined in section 6.4 is three years from the date of delivery.
- 6.7 For goods used to serve our continuous business operations (for example factory and office equipment), the period of limitation defined in clause 1 will be extended by the period the goods cannot be used due to a defect. This suspension period begins on the day on which we inform the supplier of the defect and ends when the goods can again be used.
- 6.8 Statutory regulations governing other cases of suspension or restart of the period of limitation remain unaffected.
- 6.9 Where the supplier is a manufacturer of technical goods designed for long-term use, he undertakes to ensure the provision of replacement parts for the normal service life of the equipment regardless of the length of the period of limitation. If the laws of the Federal Republic of Germany apply to these Terms, this obligation applies in any event for a period of five (5) years of delivery of the goods.
- 7. Rights with regard to defect of title (in particular infringement of third party proprietary rights)**
- 7.1 In the event of a defect of title, we will have the applicable statutory claims for defects and the claims defined in section 7.2.
- 7.2 Should a claim of infringement of proprietary rights be made against us by a third party with regard to delivery items in the country in which the delivery is made, the supplier undertakes to indemnify us against that claim. The obligation to indemnify applies only if the supplier is responsible for the infringement of proprietary rights. We are not entitled – without the agreement of the supplier – to come to any agreements with the third party, in particular to conclude a settlement. The supplier's obligation to indemnify applies to all necessary expenditures incurred by us due to or in connection with the claim by the third party.
- 8. Product liability**
- 8.1 If the supplier is responsible for product damage the supplier undertakes to indemnify us against claims for damages by third parties if the cause lies within his sphere of control and organization and he is himself liable in relation to third parties.
- 8.2 The supplier also undertakes in this context to reimburse any necessary expenditures arising in connection with any product recall initiated by us. We will — where possible and reasonable — inform the supplier of the substance and scope of the recall measures initiated and provide an opportunity to make a response. Our additional damage claims remain unaffected.
- 8.3 The supplier undertakes to maintain product liability insurance in which the amount of coverage is commensurate with the risk.
- 9. Invoicing, payment, assignment, offsetting**
- 9.1 Invoices must be sent after each delivery or performance in such number of copies as specified in our purchase order. In addition to any order number and/or item number and commission number used by us, invoices must contain the same data as stated in the delivery note according to section 5.5. The period allowed for payment and the deadline for cash discount deduction will be suspended if processing of the invoice encounters difficulties because the data specified in clause 2 are not included. The period allowed for payment and the deadline for cash discount deduction start anew once the supplier has provided the data specified for proper processing of the invoice in sentence 2.
- 9.2 If no special agreement is in place, payment will be made within 14 days of delivery and receipt of the invoice with a discount deduction of 3% of the amount invoiced or within 60 days of delivery and receipt of the invoice without deduction. If payment on account has been agreed, the discount deduction will be granted for each separate payment falling within the discount period defined in sentence 1.
- 9.3 We will specify the means of payment. Timeliness of payment — including with regard to eligibility for discount deduction — is fulfilled when payments are made at the place of performance within the time limit. Place of performance is the headquarters of the group company named in section 1.4 with whom the supplier has a contractual or supply relationship.

- 9.4 Assignment to third parties by the supplier is allowed only with our written consent. We will not withhold consent without good cause. If assignment of money due without our consent is effective under law, we may nonetheless make payment with discharging effect to the previous creditor.
- 9.5 We are entitled to offsetting and retention rights to the extent allowed by law. Offsetting in particular is admissible with contract penalty claims.
- 10. Non-disclosure, production documents**
- 10.1 We reserve all proprietary ownership, copyright and industrial property rights to all production documents passed to the supplier, including for example models, samples, illustrations, calculation and drawings. Production documents may be used only to prepare the quotation and complete the ordered delivery. They may not be made available to third parties without our consent.
- 10.2 The supplier may not disclose or make available for use to third parties property made available to him by us without our written consent. This also applies to goods manufactured to our specifications. These goods may not be made available to third parties, whether as unprocessed, semi-finished or finished products,
- 10.3 Both parties also undertake to maintain the confidentiality of the industrial and trade secrets of the counterparty, including beyond the period of the contract. The obligation to maintain confidentiality does not extend to generally known circumstances and ends in all cases when circumstances become publicly known without being caused by an infringement of contract on the part of a party.
- 10.4 All production documents provided by us may be recalled from the supplier at any time, assuming this is possible given the status of completion of the order. The supplier also undertakes to release any duplicates or the production documents made by him, and also any documents developed from the production documents. The documents referred to in clauses 1 and 2 will be returned to us unprompted on completion of the order.
- 11. Retention of title, provision of materials, tools**
- 11.1 The supply subject to retention of title or a recognised functional equivalent security interest in the country of the supplier's branch shall apply only until payment of the goods delivery to us and only for such goods. In any event, all forms of extended or enlarged retention of title or of recognised functional equivalent security interests in the country of the supplier's branch shall be excluded.
- 11.2 Materials provided by us remain our property. The supplier undertakes to implement all measures necessary to preserve retention of title. The supplier will store the materials provided in an orderly manner, separately as our property, adequately insured against fire, water, theft and disasters at his expense and use the materials only for their intended purpose.
- 11.3 The supplier will undertake processing or alteration on our behalf. In the case of processing or mixing, we acquire joint ownership of the new item in the proportion of the value of our goods to that of the other commodities processed or mixed at the time of the processing or mixing. The supplier holds the joint ownership on our behalf.
- 11.4 The tools and equipment commissioned by us become our property upon payment in full and will be issued to us, with the associated drawings, upon request on completion of the order. We are entitled to all duplication, publication and usage rights to die drawings. The supplier undertakes to use these tools and equipment exclusively for the manufacture of the goods ordered by us and to insure them at replacement value at his expense against fire, water, theft and disasters. The supplier also undertakes to carry out any required maintenance and inspection work in a timely manner and at his own expense. The supplier will advise us of any incidents immediately. If this undertaking is culpably neglected, the supplier undertakes to compensate for any resulting damage.
- 11.5 Before manufacture of the tools and equipment commissioned by us, the production design drawings must be submitted to us for acceptance and approval. The supplier must store the design drawings until the order is completed in such a way that they are immediately available in the event of the destruction of the tools and equipment,
- 12. Storage of data**
- The supplier agrees that supplier data may be stored and processed to the extent required for business purposes,
- 13. Anti Bribery – Anti Corruption Clause**
- 13.1 The Supplier is committed to carrying out its business honestly and ethically. The Supplier shall conduct its business in strict compliance with applicable laws and regulations, including national and international anti-bribery and corruption laws, and expects the same from its business partners. Bribery or corruption in any form is unacceptable. Bribery includes any payment, offer, or promise to pay, or authorization to pay or provide anything of value, directly or indirectly, to obtain an improper personal or business advantage. Corruption includes any activity that involves the abuse of position or power for an improper personal or business advantage, whether in the public or private sectors, and includes the receiving, acceptance, offer, payment or authorization of bribes.
- 13.2 The Distributor represents and warrants:
- in connection with the business to be conducted under this Agreement that it has not participated in or had any involvement, and will not in the future participate in or have any involvement, with bribery or corruption in any form, directly or indirectly, or has violated or caused the Supplier or other third parties to violate any applicable anti-bribery or anti-corruption laws and regulations of any jurisdiction.
 - that its officers, directors, employees and agents have the proper skills, training and background necessary to comply with all applicable anti-bribery, anti-corruption, laws and regulations in connection with its performance under this Agreement. If requested, the Supplier agrees to provide anti-bribery/anti-corruption compliance training to the Distributor during the term of this Agreement. Even in the event that the Supplier has provided such training to the Distributor, the Supplier cannot be held liable in any way for any past or future misconduct with regard to corruption and or bribery of or by the Distributor.
- 13.3 The Distributor shall immediately inform the Supplier of any pending investigations related to bribery or corruption against the Distributor. The Distributor shall also immediately inform the Supplier when it becomes aware of any involvement of the Distributor with bribery and/ or corruption related matters in the past. Where there is or has been a specific bribery and or corruption incident, the Supplier, for the duration of this Agreement and for a period of six (6) months after its termination can perform an audit related to the Distributor's compliance with its obligations under this Section. Such audit can be performed on a random basis without the necessity of reasons specifically related to the Distributor. The Distributor will provide its cooperation to such audit and provide the information and access necessary to allow the Supplier to conduct the audit properly. Such information includes, but is not limited to, books, records, documents, or other files, in electronic, hardcopy or other form.
- 13.4 The Distributor will ensure that all obligations under this Section be passed on to any third party that the

Distributor contracts or uses in its performance of this Agreement, or that takes over any obligation, or part thereof.

- 13.5 The Distributor's failure to comply with any provision of this section is ground for immediate termination of this Agreement by the Supplier without any prior notification. In the event of such termination, the Supplier shall be under no further obligation resulting from this Agreement and the Distributor shall indemnify the Supplier from any damages, claims, penalties or other losses resulting from that breach. The Supplier shall be entitled to any other remedies available at law or in equity. The terms and conditions of this Section, and any other provisions containing the Distributor's representations and warranties, shall survive any expiration or termination of this Agreement.

14. Force Majeure

- 14.1. The parties shall not be held liable for any breach of the Order terms and conditions when such breach results from a force majeure event. Force majeure shall mean any event beyond the control of the affected party, which could not be anticipated upon formation of the contract, and the effects of which are compelling and unforeseeable (e.g. natural disasters, war, unrest, regulatory or official intervention, pandemic).
- 14.2. A force majeure event makes it temporarily or permanently impossible to perform all or any part of a party's obligations. Force majeure does not cover those events which would render performance of the obligations more difficult or more expensive.
- 14.3. In particular strikes, lockouts or any other labour related, financial, technical or industrial incapacity, or any impediment causing a prejudice to the parties, their suppliers and subcontractors in relation with the deliveries shall not be deemed force majeure events.
- 14.4. The party affected by a force majeure event shall advise the other party as soon as it has become aware of such event. The party shall describe such event in detail and inform the other party of any relevant element capable of allowing its precise identification, and to determine its effects as to performance of its contractual obligations. The party invoking a force majeure event shall then inform the other party of its termination within the same period as provided for above.
- 14.5. A party failing to its obligation to inform in compliance with the procedure described in the above paragraph may not invoke a force majeure exemption.
- 14.6. The obligations of the party invoking force majeure shall be suspended as long as they cannot be performed due to a force majeure event. Nevertheless such party shall, as far as it is possible, remedy the situation with due diligence.
- 14.7. In the event that performance under the Order is rendered impossible for more than three (3) months, either party may terminate or rescind such Order by written notification to the other party, unless the parties decide to amend the Order to take into account the new circumstances arising from such force majeure event.
- 14.8. The occurrence of a force majeure event may however not relieve the relevant party from its liability for any negligent conduct or lack of diligence to remedy the situation or to remove its cause in a reasonable and adequate manner. A force majeure event may not give rise to a claim for damages. We will only be liable to the Supplier for such part of the Order which was performed before the force majeure event arose. Any pre-paid amount shall be refunded to us.

15. Place of jurisdiction, applicable law

- 15.1 Place of jurisdiction for all disputes arising from the contractual or supply relationship is – subject to sentence 2 – the headquarters of the group company named in section 1.4 with whom the supplier has a contractual or supply relationship. If both the supplier and the group company with

the contractual or supply relationship are headquartered in the Federal Republic of Germany, sentence 1 above applies only if the supplier is a merchant as defined in the German Commercial Code, a public-law legal person or special fund under public law. We are however also entitled to sue the supplier at his place of general jurisdiction.

- 15.2 For our terms and conditions for purchases and orders and for all other legal relations between the contracting parties, the law applied – subject to sentences 2 and 3 below – is the law of the country in which the group company named in section 1.4 with whom the supplier has a contractual or supply relationship is headquartered. Where the supplier is headquartered in a country different from the group company named in section 1.4 with whom he has a contractual or supply relationship, the law applied to the contract – notwithstanding sentence 1 above – is the law of the United Nations Convention On Contracts for the International Sale of Goods (CISG), 11.04.1980. Questions of law not covered by this Convention or which cannot be decided on its principles are subject to substantive Swiss law.

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