

SUPPLIER ALERT: KEY CHANGES IN STELLANTIS/FCA NEW TERMS AND CONDITIONS

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FCA US LLC and Stellantis N.V. (“FCA”) issued new purchase order terms and conditions, including Global Terms and Conditions – Direct Materials (Common to all regions) and a North America Exhibit A to Global General Terms and Conditions (together, “Terms”). FCA’s revised Terms include numerous changes, many of which may have a significant impact on Suppliers and their business with FCA.

Identifying the changes and differences from prior versions of these Terms is only the first step. Suppliers to FCA need to understand the implications of the various changes to their businesses. The second step will require Suppliers to think strategically about how they will respond to the Terms that FCA now seeks to impose, including: (a) whether these terms are acceptable for existing business or whether certain objections should be raised; (b) implications of these terms to future business awards; and (c) any corresponding changes that may be needed to the Supplier’s contracts with its own supply base.

Foley & Lardner LLP prepared the chart below to help Suppliers navigate the changes by not only identifying the most significant provisions and changes, but explaining the possible implications and strategic considerations for each of these changes.

<u>Provision(s)</u>	<u>Summary of Changes</u>	<u>Strategic Implication</u>	<u>Strategic Consideration/ Response</u>
Applicability; Effectiveness; Entire Agreement; Acceptance N.A. § 1	There are three major changes to this section: (1) increased role for the Supplier Portal; (2) “course of dealing” cannot modify the North American Terms; and (3) FCA can issue Purchase Orders that are non-binding until the vehicle program is approved and the non-binding clause of the Purchase Order is removed.	FCA is seeking to avoid claims that the parties’ course of dealing modifies the terms of the contract. The ability for FCA to issue “non-binding” Purchase Orders presents a novel issue. It remains to be seen whether FCA will utilize such non-binding Purchase Orders purely for administrative purposes or whether FCA will use this as a tool to unilaterally decide whether an order is binding or not given the lack of objective criteria for determining when a program is considered “approved.”	If there are investments and capital expenditures that a Supplier must make, then it will need firm, binding purchase orders before it begins incurring expenses.
Delivery; Scheduling N.A. § 2	FCA clarified the type of damages it can collect from its Suppliers and the timeframe for payment of those damages.	This obligation generally aligns with the damages that FCA otherwise is entitled to by law in most cases. However, these are not expressly	Suppliers should be mindful of the potential damages for which they may be responsible if they are found to have breached an obligation concerning delivery.

		referenced in the contract.	
<p>Volume Projections, Capacity, Requirements, and Release Authorization</p> <p>N.A. § 4(a)</p>	<p>If FCA’s peak requirements ever exceed a Supplier’s capacity, FCA has the right to decide between making capital improvements with the existing Supplier or sourcing from a third party (without penalty). Any capital improvements made will be FCA’s property.</p>	<p>Although this provision purports to provide FCA with ownership of any capital improvements necessary to increase capacity, it is silent as to who pays for such improvements.</p>	<p>In the event that a Supplier is required to make capital improvements necessary to increase the Supplier’s capacity, if the Supplier is paying for any improvements or any portion thereof for which the Supplier expects to have ownership, the Supplier must take care to obtain a clear agreement regarding ownership.</p> <p>Any agreed capital improvements must be made without disruption to the Supplier’s other operations and lines running for other customers.</p>
<p>Volume Projections, Capacity, Requirements, and Release Authorization</p> <p>N.A. § 4(c), 6</p>	<p>If FCA “believes that Seller’s future ability to timely provide goods could be impacted...” FCA may require a Supplier to maintain “safety stock,” in a certain quantity specified by FCA in the country where FCA takes delivery of the good.</p>	<p>This provision potentially gives FCA the right to force its Suppliers to provide a warehousing function and maintain an inventory of components larger than they otherwise would have desired to carry with significant carrying costs.</p>	<p>Suppliers will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices.</p>
<p>General Warranty</p> <p>N.A. § 7(a)</p>	<p>FCA has revised the warranty terms to significantly expand the scope of the warranty. For example, the Supplier warrants that it “has performed and will perform all testing necessary or appropriate to ensure that the goods are not defective in any way.” Suppliers are also required to acknowledge that “FCA will rely on Seller’s expertise in the design of the goods.”</p> <p>Additionally, Suppliers and their affiliates</p>	<p>For many Suppliers, FCA’s proposed expansion of the scope of the warranty, including with respect to testing, is directly contrary to the usual course of business in which the parties agree upon a specific validation plan and testing to be conducted at the component or assembly level. The OEM is responsible for vehicle-level testing. Given Suppliers’ limited access to a complete vehicle and the integration of other relevant components, these provisions</p>	<p>Depending on how they are applied by FCA, these provisions potentially are among the most significant detriments to Suppliers in the new North American Terms. Suppliers should consider whether they can agree to these provisions as written. At a minimum, Suppliers should consider pushing for a more specifically defined warranty period and limitations on FCA’s ability to unilaterally extend the warranty period. Suppliers selling products based on FCA</p>

	<p>warrant that they “shall conduct themselves at all times, whether or not in connection with a Purchase Order, in a manner that is not prejudicial or harmful to FCA’s interests, products, services, image, goodwill, or reputation (as interpreted by FCA).”</p> <p>FCA extends the applicable warranty period to include “the longer of (A) two (2) years from the delivery of the last good under a Purchase Order, (B) the longest warranty extended to FCA’s end user customers by FCA on the date of the Purchase Order for the applicable good, (C) the period set forth in the Source Package (including the quality and durability specifications), (D) any other period agreed upon by FCA and Seller in a Purchase Order or other document, (E) the period set forth in any Warranty Policies (as defined below), or (F) the period of any Recall or similar period.”</p> <p>Finally, FCA purports to extend its time for asserting a warranty claim, stating that “[n]otwithstanding any Law, the period in which FCA may bring a warranty claim will be the longer of any period provided by applicable Law and eight (8) years” from the date FCA had actual knowledge.</p>	<p>effectively put Suppliers in an impossible position of making warranties for which they have limited or no ability to ascertain compliance.</p> <p>FCA’s proposed extension of the warranty period is significant and, as written, appears to afford FCA the ability to extend the period unilaterally. As written, a Supplier arguably must warrant the first products supplied under the Purchase Order for the entire life of the contract, plus two years, a provision that easily could extend to nine or ten years in some cases. On the other hand, provisions tying the warranty to FCA’s “Warranty Policies” and the period of any “Recall” potentially open the door for FCA to extend the applicable warranty by revising other documents.</p> <p>FCA’s effort to expand the statute of limitations period for a claim for breach of warranty is not allowed under the Uniform Commercial Code. Section 2-725 of the Uniform Commercial Code provides that “[b]y the original agreement the parties may reduce the period of limitation to not less than one year <i>but may not extend it.</i>” (Emphasis added).</p>	<p>designs should consider pushing back on warranties concerning testing and fitness for purpose.</p> <p>By providing additional warranties and assuming additional risks, Suppliers will now be providing Goods and services of greater value. As such, Suppliers should consider leveraging this greater value in contract negotiations.</p>
Prices	The North American Terms state that if a Supplier’s direct or indirect costs decrease, a	The North American Terms seek to create a one-way ratchet with pricing in which	Suppliers should carefully consider whether they can agree to FCA’s proposed pricing

<p>N.A. § 8</p>	<p>Supplier shall immediately pass along any cost savings to FCA, but provide no corresponding ability to raise prices when costs increase. The pricing provisions also require that Suppliers charge FCA no more than the lowest price that a Supplier charges any person or entity for the same or similar good. If a Supplier reduces the price to any person or entity, the Supplier must pass on similar savings to FCA.</p>	<p>Suppliers are obligated to pass through any savings to FCA but retain the risk for any cost increases.</p> <p>The requirement that Suppliers not charge FCA more for goods than Supplier charges to other customers is concerning because it lacks the typical caveats that the goods must be sold in substantially similar quantities and substantially similar terms.</p>	<p>model and consider the associated risks when quoting business to FCA.</p> <p>Suppliers that provide products to FCA that they also sell to other customers must be mindful of this provision and consider whether they are at risk of violating this provision. Suppliers should consider pushing for exceptions to any retroactive application and consider pushing to limit based on comparable volumes and other terms.</p>
<p>Property and Tooling</p> <p>N.A. § 9</p>	<p>A Supplier provides the same warranties for tooling as it does for goods under N.A. § 7, and FCA may bring a tooling warranty claim two (2) years past the last use of Buyer’s property by a Supplier or the last payment made by FCA.</p> <p>If a Supplier’s cost to manufacture or acquire FCA’s property is less than the order price, the Supplier will pay FCA the difference.</p> <p>FCA may purchase a Supplier’s tooling that is exclusively used to produce FCA’s goods at the Supplier’s cost less any piece price recovery.</p>	<p>The requirement that Suppliers warrant any tooling for two years beyond last use potentially is in conflict with the realistic life of the tooling, particularly given that Suppliers cannot predict the life of the program. This is particularly concerning for perishable tooling.</p> <p>Consistent with the approach taken by FCA elsewhere in the North American Terms, Suppliers are obligated to pass through any savings to FCA while retaining most of the risk for cost increases.</p>	<p>Suppliers will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices.</p>
<p>Insurance</p> <p>N.A. § 10(a)</p>	<p>A Supplier is now required to carry \$5 million per occurrence in commercial general liability insurance. Under the prior Terms, a Supplier only was</p>	<p>For some Suppliers, this change may require substantial increases in their insurance policies, which will result in increased costs.</p>	<p>Suppliers will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices.</p>

	required to carry a <u>total</u> of \$5 million in commercial general liability insurance.		
Indemnification N.A. § 10(b)	<p>The North American Terms concerning indemnification are more detailed and have an expanded scope. For example, a Supplier is now required to indemnify FCA’s Suppliers, dealers, and distributors, whereas, under the prior terms, a Supplier was only required to indemnify FCA and its subsidiaries.</p> <p>Potential damages are also clarified to include: “lost business, lost opportunity, loss of use [and] costs associated with business interruption.”</p>	FCA is seeking to expand the indemnification obligations for its supply base.	Indemnification obligations include potentially significant risk of liability for Suppliers. Suppliers should carefully review these provisions to understand their risk. Suppliers that have negotiated for limitations or exceptions to other provisions in the North American Terms should take care to ensure that broad indemnity obligations do not provide an alternative avenue for FCA to pursue claims that the Supplier had sought to avoid.
Indemnification N.A. § 10(c)	<p>A Supplier waives any claim or defense that FCA provided the specifications or that the claim arose out of the Supplier’s compliance with the specifications or directions from FCA, its dealer, or any subcontractor or supplier to FCA or its dealers.</p> <p>If loss liability is allocated in an Authority Definition Plan (ADP), FCA may unilaterally change the allocation if it determines that the Supplier’s responsibility is higher than the agreed allocation, and payment will be due 30 days from receipt of notice.</p>	This is an attempt to combat the defense that many Suppliers have to third-party claims where FCA was involved in the specifications and/or design. This is particularly concerning for a build-to-spec part.	Where FCA’s engineering team is providing direction or input regarding product design and validation, Suppliers must conduct their own due diligence and adopt these recommendations/input as their own. If Suppliers are simply building part pursuant to an FCA drawing under a build-to-spec arrangement, then this provision should be removed.

<p>Indemnification</p> <p>N.A. § 10(d)</p>	<p>FCA reserves the right to either defend a claim itself or require a Supplier to do so.</p>	<p>This gives FCA the flexibility to decide whether it will tender the defense to the Supplier or take over the defense, but both will be at the Supplier's cost.</p>	<p>Suppliers that receive a demand from FCA for indemnity need to account for the potential impact of this provision.</p>
<p>Changes</p> <p>N.A. § 11</p>	<p>The new North American Terms clarify FCA's right to make changes and a Supplier's possible responses to those changes. As before, FCA can unilaterally make changes, including engineering changes, to any aspect of a Purchase Order and to the term. The new North American Terms now clearly state that a Supplier's only rights are to (1) make a claim for a change of price based on direct, net increased, out-of-pocket costs actually incurred or to be incurred, or (2) make a claim for extension of time for delivery, as a direct result of the FCA change.</p>	<p>These provisions potentially operate to limit the increased costs that Suppliers can claim in connection with a change required by FCA.</p>	<p>Suppliers faced with a change request should take care to calculate their anticipated additional costs and ensure that such costs are stated in a manner that complies with FCA's requirements.</p>
<p>Parts; Service</p> <p>N.A. § 12</p>	<p>Under the new North American Terms, Suppliers have increased disclosure obligations. Now, for purchased parts, upon FCA's request, a Supplier must disclose its Supplier and the price paid.</p> <p>Additionally, an entirely new subsection, entitled "Third Party Part Buyer" was added. This subsection permits FCA to delegate the ability to purchase parts directly from the Supplier to third parties. The direct purchase shall be under similar terms to FCA's</p>	<p>These changes are consistent with FCA's overall approach of seeking greater transparency into, and ability to take the benefit of, any reductions in Suppliers' costs.</p>	<p>Suppliers will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices.</p>

<p>Payment; FCA's Commitments; Claims Adjustment</p> <p>N.A. §13</p>	<p>Purchase Order, including price.</p> <p>There are two additional terms regarding the timing of payment. First, the North American Terms specify that payment is due 90 days after FCA has received a proper and timely undisputed invoice. Second, except as set forth in a contract or agreement, all amounts due from Suppliers to FCA are due immediately.</p> <p>The North American Terms no longer include language that Suppliers are entitled to periodic information about FCA's financial condition and ability to fulfill payment terms.</p> <p>When FCA exercises its right to set-off or recoupment, FCA is no longer required to substantiate the offset within fifteen (15) days. Additionally, if FCA's set-off or recoupment was improper, a Supplier's only recourse is that the Supplier can require FCA to pay the original amounts due to the Supplier. FCA will not be liable for any damages as a result of deduction, set-off, recoupment, or other action.</p> <p>This section now specifically states that Suppliers have no right to take a set-off against FCA.</p>	<p>This provision potentially may operate as a significant change to payment terms for many Suppliers.</p> <p>Although FCA no longer is required to automatically provide certain information, such as support to substantiate a debit, Suppliers are not necessarily precluded from requesting such information in appropriate circumstances.</p>	<p>Any Supplier currently operating on payment terms less than 90 days should consider objecting and pushing back on the proposed attempt to change payment terms. Suppliers will want to factor in the cost any extended payment terms when negotiating contracts and setting prices.</p>
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<p>Customs; Export Controls</p> <p>N.A. § 14 G.A. § 15</p>	<p>The Global Terms now require Suppliers to guarantee the accuracy of “made in ___” labeling.</p> <p>The North American Terms require all goods and services supplied by companies in North America to satisfy the requirements of the US-Mexico-Canada Agreement (USMCA), unless FCA provides a written exception.</p>	<p>While most Suppliers in North America likely are already compliant with the USMCA, any who are not will need to take steps to become compliant.</p> <p>Increased focus on this area in the new North American Terms may signal an increased focus on these issues within FCA, including possible future audits.</p>	<p>To the extent not already compliant, Suppliers will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices.</p>
<p>Use of FCA’s Name</p> <p>N.A. § 15</p>	<p>The North American Terms add a requirement that Suppliers refrain from publishing derogatory or disparaging statements about FCA or its affiliates.</p>	<p>While following this rule previously was a good business practice, publishing such statements now, even if true, will constitute a breach of contract exposing the Supplier to potential liability and termination for breach.</p>	<p>Suppliers should review their internal policies regarding statements concerning customers to ensure that any such statements go through an appropriate review and approval process.</p>
<p>Data; Software; Security; and Privacy</p> <p>N.A. § 16 G.A. § 19 (e), (g), (h)</p>	<p>The North American Terms expand “FCA Data” to include: (1) Development Data (all data produced or collected from an FCA branded vehicle); and (2) all improvements and derivatives made by FCA, its Suppliers, and sub-Suppliers.</p> <p>The North American and Global Terms expand Supplier obligations and restrictions. Suppliers, among other things, (1) must monitor software for defects and vulnerabilities, (2) must implement measures to protect personal data against unauthorized access, and (3) may not use open source software absent written consent.</p>	<p>These changes represent a large and potentially open-ended definition of what constitutes “FCA Data.” These also give FCA greater ownership and rights in the data.</p>	<p>Suppliers will want to more carefully track their use of Buyer’s data to ensure Suppliers do not inadvertently run afoul of the Terms. If Suppliers wish to use Buyer’s data more broadly, Suppliers may need to negotiate rights to the data separately.</p>
<p>Financial Reporting</p>	<p>FCA’s right to disclose the confidential</p>	<p>The expansion of FCA’s right to disclose a</p>	<p>Suppliers that are required to disclose</p>

<p>N.A. § 17 G.A. § 20</p>	<p>information of its Suppliers has been expanded from “any reason related to or in connection with its risk management functions” to “any business reason.”</p> <p>The period during which Suppliers must update the information required to be provided in the Supplier Portal has been shortened from an annual to a quarterly basis.</p>	<p>Supplier’s confidential information effectively renders any such protections meaningless.</p>	<p>significant confidential information may want to consider negotiating a separate confidentiality or nondisclosure agreement to supersede the default provision in the Terms and Conditions.</p> <p>Suppliers should take steps to ensure that they are compliant with these new reporting obligations and will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices. Ensure that there is a contract manager responsible for tracking these deadlines and updates.</p>
<p>Cancellation/Termination for Default; Termination at FCA’s Option</p> <p>N.A. §§ 18, 19</p>	<p>The North American Terms expand FCA’s power to terminate contracts for cause. For example, the conditions for default have been expanded to include unauthorized changes in control and situations in which “in FCA’s reasonable judgment, Seller’s financial or other condition is such that it threatens or could reasonably threaten Seller’s ability to fully and timely perform under and installment of or an entire Purchase Order.”</p> <p>FCA may also compel Suppliers to terminate or use different subcontractors immediately.</p> <p>The time by which FCA may cure breaches is expanded from 30 to 60 days; but the time by which a Supplier may cure a breach is shortened from 30 days to 10 days, and the time</p>	<p>While FCA retains for itself the right to terminate for convenience, a termination for default further restricts the payments to which the Supplier can claim. In addition, the Supplier may be liable for damages resulting from any breach.</p>	<p>Suppliers should be mindful of the applicable notice and cure deadlines in the case of any alleged breach.</p>

	<p>by which a Supplier may submit a termination claim is shortened from 60 to 30 days.</p>		
<p>Remedies</p> <p>N.A. § 20</p> <p>G.A. § 21</p>	<p>The North American Terms expand FCA’s remedies for default. Upon default, FCA may terminate all other Purchase Orders with the Supplier and may designate representatives to be present at a Supplier’s facility at the Supplier’s cost.</p> <p>The North American Terms also expand FCA’s IP rights: if FCA suspends or terminates a Purchase Order for breach <i>or at FCA’s option under Section 19 of the North American Terms</i>, FCA will receive a perpetual license to use and exploit the Supplier’s goods and IP associated with the Purchase Order.</p> <p>Finally, the North American Terms provide that upon the termination of a Purchase Order, FCA may require the Supplier to develop a transition plan to ensure</p>	<p>The provision allowing FCA to cancel all Purchase Orders with a Supplier, including any Purchase Orders for which Supplier is not actually in default, enhances FCA’s ability to engage in a punitive resourcing of business away from a Supplier. While FCA previously had the right to terminate other Purchase Orders for convenience, the ability to terminate other Purchase Orders for default further restricts the payments to which a Supplier will be entitled and implicates other remedies that may be available to FCA.</p> <p>Although buried in a purported “remedies” provision, the North American Terms provide that FCA will obtain a perpetual license to exploit a Supplier’s goods and IP whenever FCA terminates or suspends a Purchase Order for any reason, including a termination at</p>	<p>Suppliers should consider pushing back on FCA’s ability to obtain a license to Supplier intellectual property for any reason other than to facilitate an alternative source of the goods in the event that the Supplier is unable or unwilling to continue supply.</p> <p>Suppliers that are engaged in a dispute with FCA must account for FCA’s enhanced ability to terminate other business with the Supplier that is not directly involved in the dispute on a more punitive basis for default.</p>

	continuity at no cost to FCA.	FCA's option under Section 19, or a termination based on Supplier's failure to comply with one of many competitiveness and pricing obligations throughout the North American Terms. This potentially is an extraordinary expansion of FCA's rights to Supplier intellectual property.	
Required Compliance; Cooperation N.A. § 21 G.A. §§ 11 G.A. §§ 22 G.A. §§ 24	The Global Terms now require that Suppliers provide advance warning and notice of any part of any goods that could become dangerous or hazardous. They also require Suppliers bear all costs necessary to achieve compliance with existing or new laws.	This provision substantially shifts the risk to Suppliers if there is a change in applicable law governing Supplier's products.	Suppliers should take steps to ensure that they are compliant with these new obligations and will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices. Suppliers providing products to FCA based on FCA's designs should consider further negotiation and pushback on this obligation.
Dispute Resolution; Governing Law N.A. § 23 G.A. § 30	The North American Terms now include an express waiver of jury trial rights. Additionally, all claims must be brought within one year of the date such claim first arises, regardless of actual knowledge. The scope of arbitration has been expanded to include injunctive relief, enforcement of Suppliers' delivery obligations, and the enforcement of FCA's rights and remedies associated with competitiveness.	The reduced limitation period for Suppliers to assert claims is a significant change in the Supplier's ability to seek relief.	Suppliers must be mindful of the reduced time in which to assert claims. Suppliers that wish to preserve claims without being forced to assert them in a manner that may damage their relationship with FCA may consider the possibility of a tolling agreement.
Compliance with Requirements; Formula and	The Global Terms require Suppliers to comply with applicable	This provision adds a number of additional compliance and reporting	Suppliers should take steps to ensure that they are compliant with these

<p>Information Disclosure; Emissions</p> <p>N.A. § 25 G.A. § 23</p>	<p>safety and emissions laws.</p> <p>The North American Terms added additional requirements, including (1) mandatory defeat device training, (2) accurate emissions documentation, and (3) written confirmations that Suppliers do not utilize defeat devices.</p>	<p>obligations for Suppliers. While not necessarily onerous on their face, they add a further burden on Suppliers.</p>	<p>new obligations and will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices.</p>
<p>Right to Audit</p> <p>N.A. § 26 G.A. § 12</p>	<p>The North American Terms expanded the scope of FCA’s audit rights from information deemed “reasonably required” to all information deemed “necessary or helpful.” Additionally, the audit and record retention period is expanded from 4 to 10 years. Any errors of at least 3% constitute breaches that trigger damages and audit costs.</p>	<p>This provision adds a number of additional compliance and reporting obligations for Suppliers. While not necessarily onerous on their face, they add a further burden on Suppliers.</p>	<p>Suppliers should take steps to ensure that they are compliant with these new retention requirements and will want to factor in the cost of compliance with this new obligation when negotiating contracts and setting prices.</p>
<p>Competitiveness</p> <p>N.A. §29</p>	<p>When a Supplier fails to be competitive solely due to its costs, the North American Terms now permit FCA to immediately terminate the contract for default (as opposed to issuing a cure notice). In addition, Suppliers must represent and warrant that the pricing offered to FCA is equal or better than the pricing offered to or enjoyed by any other person or entity.</p>	<p>While FCA retains for itself the right to terminate for convenience, a termination for default further restricts the payments to which the Supplier can claim. In addition, the Supplier may be liable for damages resulting from breach of the warranty regarding pricing.</p> <p>Although “most favored nation” pricing provisions are not uncommon, the price warranty provided for in Section 29 is unusual in that it does not include limitations for similar volumes or similarly situated customers.</p>	<p>Suppliers that are providing any products to FCA that the Supplier also sells to other customers must be mindful of this provision and consider whether it is at risk of violating this provision. Suppliers should consider pushing for exceptions to any retroactive application and consider pushing to limit based on comparable volumes and other terms.</p>
<p>Equitable Relief</p>	<p>The North American Terms broadened the</p>	<p>While the right to equitable relief in any</p>	<p>Any Supplier involved in a dispute with FCA</p>

<p>N.A. § 30</p>	<p>scope of equitable relief from material breaches regarding delivery and FCA’s property to breaches regarding labor disputes, the use of FCA’s name, data and trade secrets, audits, taxes, and compliance with applicable laws.</p>	<p>dispute (including a preliminary injunction) will be determined by the court (or arbitrator if applicable), courts often will consider contractual acknowledgments of the right to equitable relief when making that determination.</p>	<p>involving potential claims for equitable relief should be aware of this provision and review the impact of the provision with its legal counsel.</p>
<p>Cost Savings Programs</p> <p>N.A. § 32</p>	<p>Suppliers must use “best efforts” to reduce costs as much as possible and pass on all savings to FCA. By October 1 of each year, the Supplier must provide a written plan for implementing cost savings and productivity improvements. Such plans are deemed binding on the supplier.</p>	<p>The obligation to pass through any cost savings creates a one-way ratchet effect in which the Supplier is forced to pass any cost reductions through to its Supplier without the corresponding ability to pass through any cost increases.</p>	<p>Suppliers should take steps to ensure that they are compliant with the obligation to provide an annual cost-saving and productivity plan. Suppliers may want to consider pushing for revisions to the obligation to pass through cost savings without a corresponding ability to pass through cost increases.</p>
<p>Seller’s Contracts with its Suppliers and Subcontractors; Seller Acting as a Directed Component Supplier</p> <p>N.A. §§ 33, 34</p>	<p>The North American Terms expand FCA’s regulation of the relationship between Tier 1 Suppliers (referred to as “Assemblers” in the context of a directed supply relationship) and directed component Suppliers. For instance: (1) Assembler agreements must contain terms at least as beneficial to FCA as those in FCA’s contract; (2) any benefits reaped by Assemblers resulting from changes in the Supplier relationship automatically pass on to FCA; (3) FCA may compel assignment and directly enforce the contracts against directed component Suppliers.</p>	<p>While it already is best practice to flow down a Supplier’s customer obligations to its sub-suppliers, these changes impose a contractual obligation to do so. Any failure to do so will leave a Supplier at risk of liability to FCA. It also will further impede a Supplier’s ability to seek relief from FCA due to failures by a FCA-directed sub-supplier.</p> <p>The obligation to pass through any benefits creates a one-way ratchet effect in which the Supplier is forced to pass any cost reductions through to FCA without the corresponding ability to pass through any cost increases.</p>	<p>Suppliers should review their own contracts with any FCA-directed sub-suppliers to ensure that they adequately flow down the updated FCA Terms and Conditions to those sub-suppliers.</p> <p>Suppliers may want to consider pushing for revisions to the obligation to pass through cost savings without a corresponding ability to pass through cost increases.</p>
<p>Term</p> <p>N.A. § 35(b)</p>	<p>The duration of FCA’s agreements is expanded even further. The North American Terms provide that FCA may</p>	<p>This is a highly significant change. As written, it effectively permits FCA to lock Suppliers into a perpetual</p>	<p>Depending on how it is applied by FCA, this provision potentially is among the most significant detriment to</p>

	<p>unilaterally extend Purchase Orders across multiple vehicle programs, FCA may extend vehicle programs more than once, and agreements with no clear end dates last the life of their respective program. In addition, FCA has added clarifying language providing that any Purchase Order that does not specify an end date, or has an end date of “9999” is considered to have a term for the life of the program.</p>	<p>contract for as long as FCA wishes to continue purchasing from the Supplier with minimal ability of the Supplier to update pricing or other terms.</p>	<p>Suppliers in the new North American Terms. Suppliers should consider whether they can agree to this provision. At a minimum, Suppliers should consider pushing for additional language requiring price adjustments if FCA extends the contract to additional programs or extends additional programs.</p>
<p>Disposal of Scrap N.A. § 36</p>	<p>To avoid rendering cancellation claims null and void, Suppliers must now obtain approval from FCA before disposing of any goods, assemblies, subassemblies, or other “materials related to a Purchase Order.”</p>	<p>While it remains to be seen how this provision will be interpreted, as written, failure to obtain approval before disposing of material will void all cancellation claims, not just claims related to the material in question.</p>	<p>Suppliers should take steps to ensure that they obtain approval from FCA before disposing of any material.</p>
<p>FCA Computer Network; Access; Confidentiality N.A. § 37 G.A. § 19(f)</p>	<p>The Global Terms prohibit Suppliers from reverse engineering FCA’s property.</p> <p>The North American Terms entitle FCA to specific performance and injunctive relief without needing to post bond if a Supplier violates FCA’s confidentiality requirements.</p>	<p>This obligation generally aligns with most Suppliers’ expectations and general confidentiality obligations under the current Terms.</p>	<p>Suppliers should take steps, including reviewing their policies and training, to ensure that their employees are trained in using confidential customer information appropriately.</p>
<p>Taxes N.A. § 38 G.A. § 16</p>	<p>The North American and Global Terms clarified that each party is responsible for paying their respective income, indirect, and withholding taxes.</p>	<p>This obligation generally aligns with most Suppliers’ expectations. However, any failure to properly account for such tax obligations will also constitute a breach of a Supplier’s contractual obligations.</p>	<p>Suppliers should take steps, including consulting with a tax attorney if necessary, to ensure that they are compliant with all tax and withholding obligations.</p>
<p>Construction; General N.A. § 39(b)</p>	<p>The North American Terms add an express waiver of any indirect, incidental, special, or consequential damages</p>	<p>Although several provisions in the current Terms included similar limitations on a Supplier’s right of</p>	<p>Suppliers must be aware of this damages limitation when assessing</p>

	<p>arising out of a Purchase Order, even if FCA has been advised of the possibility of such damages.</p>	<p>recovery, the new North American Terms add a global waiver of indirect, incidental, special, or consequential damages. In some cases, this may represent a potentially significant limitation on a Supplier's ability to recover damages.</p>	<p>their risk associated with certain provisions.</p>
<p>Construction; General N.A. § 39(c)</p>	<p>The North American Terms outlined the order of precedence for agreements with FCA: (1) Policies; (2) National Terms; (3) Global Terms; (4) Purchase Orders; (5) other documents that constitute the contract.</p> <p>“Policies” include raw material and steel guidelines, instructions, documents, and procedures applicable to the Supplier's obligations under a Purchase Order. See N.A. § 1 (g).</p> <p>In addition, the terms specify that any conflict “will be resolved in a manner that is most favorable to FCA.”</p>	<p>This provision represents a departure from the traditional rule that ambiguity in a contract should be resolved against the drafter (FCA). Further, it reverses the traditional order of precedence in which a specifically negotiated Purchase Order generally controls over more general terms and conditions.</p> <p>FCA's decision to elevate its “Policies” to the prime position is particularly concerning as FCA reserves for itself the “right to unilaterally revise any Policy at any time by publishing such new Policy on the Supplier Portal. Seller shall be responsible for periodically checking the Supplier Portal for updates to the Policies.” N.A. § 1 (g). This effectively permits FCA to unilaterally revise the Policies in ways that may contradict the North American Terms and/or a specific Purchase Order.</p>	<p>Suppliers that seek to negotiate variances or other terms that are different from the North American Terms cannot rely just on having those terms added to the relevant Purchase Order. Additional steps likely are needed, including language expressly stating that the provision controls, notwithstanding Section 39(c) of the North American Terms.</p>

Select Provisions in the Revised Terms and Conditions

GLOBAL GENERAL TERMS AND CONDITIONS – DIRECT MATERIAL

(Common to all regions)

The words “hereof”, “herein” and “hereunder” and words of like import used in this Contract shall refer to such Contract as a whole and not to any particular provision of the Contract. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to sections, articles, paragraphs, and annexes are to sections, articles, paragraphs, and annexes of the Contract unless otherwise specified. Whenever the words “include”, “includes”, “including” or words of similar import are used in the Contract, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms thereof. References to any person or entity include the successors and permitted assigns of that person or entity. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

This Contract has been negotiated by Seller and Buyer, as advised by counsel, and any legal or equitable principles that might require or permit the construction of this Contract or any provision hereof against the Party drafting this Contract shall not apply in any construction or interpretation of the Contract.

In addition to the terms defined elsewhere in these General Terms and Conditions, the following capitalized words and terms shall have the meanings indicated below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

Definitions:

“**Buyer**” shall be defined in the Contract.

“**Buyer Final Client**” means any company (i) acquiring or using the Goods, whether or not under Control of Stellantis NV and its successors, or (ii) manufacturing, selling, or purchasing vehicles in which the Goods are installed.

“**Buyer Group**” as defined in section 20.

“**Contract**” means, without limitation, these General Terms and Conditions, Purchase Orders, and all terms, provisions, subparts, sections and attachments therein or exhibits thereof, along with any documents incorporated by reference herein or therein.

“**Control**” means with respect to a company: (i) the direct or indirect ownership of a fraction of the share capital that gives a majority of the voting rights at that company’s relevant shareholders meetings; (ii) the ownership of the majority of the voting rights in that company by virtue of an agreement entered into with other shareholders or partners; (iii) the effective right to determine the decisions taken at that company’s relevant shareholders meetings; or (iv) other rights to direct the management of that company.

“**Good**” means the production parts, prototypes, including all components, raw materials and sub-assemblies thereof, commodities and other items supplied by Seller to Buyer pursuant to the Contract, both as original equipment and for use as service parts, and services.

“**Law**” means any international, federal, state, provincial or local law, statute, rule, regulation, decree, administrative provision, code, ordinance, court order, compulsory process, mandatory standard, decision, treaty/convention, judgement, executive order, standard or guideline or any authority promulgated under any of the foregoing applicable to the Goods or to the Contract and in general to be complied with in the context of the Contract.

“**Party/ies**” means Buyer and Seller collectively and either one of them individually.

“**Policies**” means any of Buyer’s processes, policies, and procedures applicable to Seller’s required or actual performance or obligations under the Contract, including the guidelines set forth on Buyer’s supplier portal as amended or added from time to time.

“**Purchase Order**” means an open or closed purchase order or similar ordering document transmitted electronically or made available to Seller by Buyer.

“**Seller**” means the company accepting these General Terms and Conditions and the subsidiaries under its control to which a Purchase Order is addressed or from which an offer is requested for the purpose of issuing a Purchase Order.

1. Applicability; Effectiveness; Entire Agreement Acceptance

This Contract sets forth the terms and conditions under which Seller will sell and Buyer will purchase the Goods described in the Purchase Order for the period(s) specified in the Contract. Terms and conditions proposed by Seller that are different from or in addition to the provisions of this Contract are expressly rejected by Buyer and are not a part of this Contract, and Seller’s acceptance is expressly limited to the terms of this Contract. This Contract is not binding on Buyer until accepted by Seller in the form hereafter specified. This Contract will be accepted and become effective immediately upon the first to occur of: (a) the date on which Seller provides written acceptance to Buyer (whether by electronic means, including clicking “Accept” in Buyer’s electronic supplier portal or otherwise subject to applicable Law), or (b) Seller’s commencement of any work under the Contract. The Contract constitutes the entire agreement between Seller and Buyer with respect to the matters contained in the Contract and supersedes all prior or contemporaneous oral or written agreements, representations and/or communications.

Additional terms and conditions forming parts of this Contract are set forth in any Exhibit A hereto which is incorporated by reference herein.

2. Delivery; Scheduling; Electronic Data Interchange

Seller will deliver the Goods at the destination/location and the time set forth in a Purchase Order or as otherwise specified by Buyer. If no delivery location is specified, delivery shall be made by Seller to Buyer's designated location which shall be requested by Seller from Buyer ("Delivery"). Delivery shall be deemed to have occurred: (i) for physical goods, upon proper unloading at Buyer's designated delivery point; and (ii) for services upon performance by Seller and written acceptance by Buyer (or by any third party nominated by Buyer). Time is of the essence. Delivery must be made and completed as specified (including as to time) in the applicable Purchase Order and in accordance with Buyer's releases, broadcasts, and written requirements and instructions issued by Buyer from time to time; provided, however, if Buyer's releases, broadcasts, or written requirements or instructions request a delivery faster than the lead time set forth in the Purchase Order, Buyer and Seller will agree on a delivery time as close to Buyer's requested date as is commercially possible. Seller will electronically communicate with Buyer in a secure (e.g. encrypted) manner and specifically utilizing electronic data interchange (EDI) with respect to all supply chain communications relating to this Contract, including, without limitation, receiving Buyer's production schedules and sending advance shipment notices to Buyer. The term "broadcast," as used herein, means an electronic communication which indicates the Goods requirements for Buyer assembly plants. Without limiting Buyer's rights and remedies, if Seller fails to make one or more deliveries, delivers or provides more Goods than specified by Buyer, or otherwise fails to perform in accordance with this Contract (including as to time), Seller shall be in breach of this Contract and Buyer shall be entitled to the rights and remedies set forth in this Contract. Seller will make appropriate preparations for the delivery of goods and/or the performance of services in accordance with Buyer's timing needs and quality criteria, including, as applicable, compliance with Buyer's requirements found on Buyer's supplier portal; Seller will make appropriate progress, given Buyer's timing requirements, towards completing any required engineering and design activities related to any Good. Buyer may return and is not required to pay for the Goods delivered to Buyer in excess of quantities ordered or for Goods that are otherwise non-conforming. Buyer may make such excess or non-conforming goods available for pick up by Seller at Buyer's facility and, if after fourteen (14) calendar days written notice to Seller, Seller has failed to retrieve (or make other arrangements satisfactory to Buyer for the retrieval of) such excess or non-conforming goods, then Buyer has the right to dispose of such goods at Seller's costs. Buyer may, at any time, change the rate of scheduled shipments, the quantity of shipments or the Good shipped or direct temporary suspension of scheduled shipments. Where quantities and/or delivery schedules are not specified, Seller will deliver goods in such quantities and times as Buyer may direct in subsequent delivery schedules. Further, if Seller's acts or omissions result in or are likely to result in Seller's failure to meet Buyer's delivery requirements and Buyer requires a more expeditious method of transportation for the goods than the transportation method originally specified by Buyer, Seller will be solely responsible for any and all costs and expenses associated therewith.

3. Shipping; Packaging

Seller will comply, in all respects, with Buyer's shipping and packaging requirements as amended or updated from time to time and as incorporated in the Contract. Unless otherwise provided in the Contract, any charges or costs relating to handling, packaging, storage or transportation of Goods are borne by Seller and have been included in the piece price of the Goods. Further, Seller will: (i) properly pack, mark and ship goods in accordance with the requirements of Buyer, the involved carriers, and Laws in force in each country where the Goods are manufactured, used, sold or transferred and/or the services are performed, including, without limitation, Laws governing the handling and transportation of dangerous goods or hazardous materials; (ii) route shipments in accordance with Buyer's instructions and the terms and conditions stated in the Contract; (iii) provide with each shipment packing slips with Buyer's Contract and/or release number and date of shipment marked thereon; (iv) promptly forward the original bill of lading or other shipping documents for each shipment in accordance with Buyer's instructions; and (v) include on bills of lading or other shipping documents the correct classification of the goods. The marks on each package and identification of the goods on packing slips, bills of lading and invoices (when required) must be sufficient to enable Buyer to easily identify the Goods purchased.

4. Service and Replacement Parts

Seller will sell to Buyer, or any third party as directed by Buyer, Goods necessary for Buyer or its designee to fulfill its current model service and replacement parts requirements at the price(s) set forth in the Contract, adjusted only for differences in packaging and logistics costs, all as approved by Buyer. If the Goods are systems or modules, Seller will sell to Buyer, or any third party as directed by Buyer, the components or parts that comprise the system or module at price(s) that will not, in the aggregate, exceed the price of the system or module less assembly costs. During the serial production and for fifteen (15) years period after Buyer discontinues the vehicle or the related component, Seller will sell Goods to Buyer to fulfill Buyer's past model service and replacement parts requirements. Unless otherwise agreed by Buyer, the price(s) during the first five (5) years of this period will be those in effect at the conclusion of current model purchases, adjusted only for possible differences in packaging and logistics costs as agreed by Buyer. For the remainder of the fifteen-year period, the price(s) for Goods will be as reasonably agreed by the Parties.

For the sole purpose of remanufacturing or repairing Goods, Seller grants Buyer access to all information of Seller used to manufacture such Goods, including, bill of material, schematics, software strategies and tools, and functional validation tests.

If the Good supplied as service parts is manufactured in a country other than the country in which the Good is delivered to Buyer, Seller shall mark it with the indication of the "Made in (country of origin)".

5. Transfer of Title

Risk of loss and full title to goods will pass to Buyer, free and clear of any liens, claims, encumbrances, interests or other rights, upon proper Delivery of the Goods; provided, however, if Buyer rejects acceptance of Delivery or otherwise rejects Goods, even after Delivery, risk of loss and title to such Goods automatically reverts back to Seller at the moment the Seller receives notice of Buyer's rejection. Seller shall be fully responsible for and adequately insure all Goods until proper Delivery to Buyer.

6. Seller's Assurance of Performance

In the event that Buyer has any reasonable grounds for insecurity with respect to Seller's continued performance under the Contract, Seller shall provide adequate assurance of such performance within a reasonable period of time under the circumstances but in no event later than twenty (20) calendar days from Buyer's request and Seller must at all times take such actions as are necessary or appropriate to ensure the uninterrupted supply of Goods to Buyer. Seller's failure to satisfy such requirement shall be deemed a breach of the Contract.

7. Changes

Buyer may, from time to time, direct changes, or direct Seller to make changes, to drawings and specifications of the Goods or to otherwise change the scope of the work covered by this Contract, including, without limitation, changes to the Term as may be set forth in an Exhibit A and to such matters as inspection, testing or quality control, and Buyer and Seller 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 discussions, Seller will immediately implement such changes.

Seller may propose changes to drawings and specifications of the Goods or to the scope of the work covered by the Contract. If Buyer agrees, in its discretion, to implement such changes, the agreement between the Parties with respect to such changes will be made in accordance with Section 1 above.

Any claim by Seller for pricing adjustments to be made in connection with changes that were approved in writing by Buyer hereunder must be asserted by Seller in writing and pursuant to the relevant provisions set forth in an Exhibit A.

Seller will specify to Buyer and Buyer's designee the location from which the Goods covered by the Purchase Order will be shipped no later than the date on which the Good is approved for production and Seller certifies the location(s) from which it will ship the Goods covered by the Purchase Order are as specified in the Purchase Order.

Seller will not relocate the production, manufacture or assembly of the Goods from the facilities approved by Buyer, or change the location from which the Goods are shipped, without following Buyer's relocation requirements and obtaining Buyer's advanced written consent.

8. Seller's Contracts with its Suppliers and Subcontractors

Seller will not subcontract any of its obligations under the Contract without the prior written consent of Buyer. Any such consent of Buyer will not release Seller from, or limit, any of Seller's obligations under the Contract. Seller warrants and guarantees its suppliers and subcontractors will satisfy all requirements and obligations applicable to Seller for Goods delivered to Buyer in connection with the Contract, including the obligation to specify the location from which such Goods will be shipped. Seller's agreements with its suppliers shall contain terms at least as beneficial to Buyer as those contained in the Contract.

Seller will actively monitor and ensure that its suppliers and subcontractors for any Goods to be provided under a Purchase Order or the Contract comply with the obligations of such Purchase Order and Contract. Seller will be fully responsible for the acts and omissions of its suppliers and subcontractors, including, such acts and omissions that result in Seller failing to comply with or renders Seller in breach of a Purchase Order or the Contract.

Buyer has the option, in its sole direction, to require Seller to assign to Buyer or its designee (and Seller hereby does so assign in the event Buyer so elects) any and all rights, claims, or remedies that Seller has or may have against its supplier or subcontractor in connection with Goods provided under the Contract or Purchase Order. If Buyer exercises its assignment option: (i) Buyer shall not be, or be deemed to be, a successor in interest to Seller or otherwise responsible for the acts or omissions of Seller or for any counter claims, damage claims, costs, expenses, or similar claims or liabilities that Seller's supplier or subcontractor may have or may assert against Seller; and (ii) Buyer shall not be responsible or liable for any Goods provided

by Seller. This provision, whether or not the assignment right is exercised, does not affect or abrogate any of the Parties' rights or responsibilities under the Contract or Purchase Order.

9. Quality

Seller will comply, in all respects, and will cause its subcontractors and suppliers to comply, in all respects, with Buyer's requirements and procedures as amended or updated from time to time and as incorporated by reference in the Contract. Seller will endeavor to continuously improve the quality of the Goods, its manufacturing and logistics processes. Seller will provide and maintain, and will ensure its subcontractors and suppliers provide and maintain a quality management system that complies with all applicable Laws and Policies and will register and remain registered in Buyer's designated quality management system. Seller will perform quality inspections on a reasonable basis. Seller will make available Seller's systems, procedures, and records to Buyer upon request.

10. Product Warranty; Warranty of Performance

Seller warrants and guarantees that:

- (i) the Goods covered by the Contract will conform to all specifications, drawings, samples, descriptions and quality standards (a) furnished or otherwise specified by Buyer, and/or (b) furnished by Seller and approved by Buyer in writing, and will be merchantable, of good material and workmanship and free from any kind of non-conformances and will conform with safety, homologation and reliability requirements of Buyer. In addition, Seller acknowledges to be aware of Buyer's intended use of the Goods covered by the Contract and warrants and guarantees that such Goods have been accordingly selected, designed, manufactured or assembled by Seller and will be fit and sufficient for the particular purposes intended by Buyer; Seller further warrants and guarantees that to the extent that Seller designs any Goods, or Buyer relies on Seller's expertise in any aspect of the design of the goods communicated by Seller to Buyer, those Goods will be fit and sufficient for the purposes intended.
- (ii) Seller has performed and will perform testing activities necessary or appropriate to ensure that the Goods are compliant with Seller's obligations set forth in Section 10.

Any Goods which do not comply with the above (i) and (ii) are considered as non-conformance.

Unless otherwise agreed to by Buyer and Seller in writing, the duration of the warranty provided by Seller to Buyer for the Goods will begin on the date of receipt of the Goods by Buyer and end on the later of: (a) the date of expiration of any warranty period provided under applicable Law for the Goods; (b) expiration of any warranty applicable to the goods provided by Buyer to Buyer's end customer for the vehicle into which the goods are incorporated; or (c) the expiration of any specific warranty period provided in the purchase agreement if any; and/or (d) the expiration of any performance and durability standard provided in any document incorporated by reference into the Contract, including in Buyer's specifications or quality standards.

Without limiting Buyer's other rights and remedies, including without limitation indemnification rights, Seller's obligation to reimburse Buyer's warranty claims due to Seller's breach or failure to fully comply with this Contract or any warranties or duties implied by Law or otherwise made by Seller shall be determined in accordance with Buyer's applicable warranty terms.

If Seller discovers or becomes aware that Seller's Goods or its design or manufacturing processes do not comply or may potentially not comply with vehicle regulatory compliance requirements or Buyer's requirements, Seller shall notify Buyer within twenty-four (24) hours of such discovery or awareness in accordance with Buyer's procedures for reporting such matters to Buyer's vehicle safety and regulatory compliance authorities.

These warranties are in addition to any warranties implied by Law, in equity, or otherwise made by Seller and will survive delivery by Seller and acceptance and payment by Buyer. Furthermore, warranties and covenants in the Contract apply to Goods whether supplied by Seller or Seller's subcontractors or suppliers.

Without prejudice to other rights and remedies available to Buyer by Law or Contract, Seller shall indemnify Buyer for costs associated with quality-issue investigation and containment to the extent caused by Seller's acts or omissions as provided in Section 21.

11. Compliance with Applicable Requirements; Ingredients Disclosure; Special Warnings and Instructions

Seller will comply with applicable Law and Buyer's requirements then in effect regarding: (i) the handling, transportation, labeling, processing, registration, notification, prohibition, use, disposal or recyclability of the Goods, containers, and packing, including the formulation and use of raw materials and other substances in the Goods ("Environmental, Health and Safety Requirements"); and (ii) disclosures on the content and origins of raw materials and substances, including conflict mineral disclosures and chemical and substance of concern disclosures ("Disclosure Requirements"). Seller will promptly provide to

Buyer, in such form and detail as directed by Buyer: (a) the formula and list of all ingredients in the Goods, including material safety data sheets; (b) the amount of all ingredients and the percentage of each ingredient in the Goods; (c) an updated formula and list of ingredients promptly upon any change from that provided to Buyer; and (d) a list of the countries of origin for each ingredient contained in the Goods; provided, however, Buyer may require such information from Seller only to the extent necessary to enable Buyer to comply with applicable Law. Upon Buyer's request, Seller will promptly certify to Buyer in writing that Seller is in compliance with all Environmental, Health and Safety Requirements and all Disclosure Requirements. Seller will immediately notify Buyer if Seller is not in full compliance with any Law. Seller must use resources effectively and efficiently to minimize environmental impact. Seller shall not purchase or sub-contract from any illegal or noncompliant channel or supplier and is committed to promote a responsible supply process.

Prior to and with the shipment of the Goods, Seller will furnish to Buyer sufficient advance warning and notice, in writing (including, without limitation, appropriate labels on the goods, containers and packing), of any material that is an ingredient or a part of any of the Goods that is or could become dangerous or hazardous material so as to warrant special handling instructions, as may be necessary to advise carriers, Buyer and their respective employees of how to exercise that measure of care and precaution that will comply with applicable Laws in force in each country where the Goods shall be manufactured, used, sold or transferred and/or the services shall be performed and prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Goods, containers and packing shipped to Buyer; and such special handling instructions for such materials.

Seller will promptly provide, in writing, any information regarding the Goods requested by Buyer so that Buyer may comply in a timely manner with reporting requirements under applicable Law, in particular with respect to consumer protection, "conflict minerals" or similar materials or ingredients, if any. Seller will track down to the very origin (in particular smelters, mines...) of any ingredients or (raw-) materials in the Goods, and certify this in writing without delay upon Buyer's first request.

12. Financial Reporting; Audit Rights; Inspection of Seller's Premises

Seller shall own and maintain the financial resources necessary for the performance of the Contract.

Seller shall promptly provide, upon request, to Buyer, in writing:

- (i) the approved balance sheets and, if available, the certified balance sheets of Seller, the business plan of Seller for the current year and the following years, as well as any information regarding Seller's financial condition that Buyer may reasonably request in order to assess and monitor the continuous capability of Seller to properly perform under the Contract, and
- (ii) any financial and logistic data that enables Buyer to evaluate the financial health and capacity of Seller to timely supply the Goods, and any audit reports performed by Seller, in particular audits on smelters or refiners of its supply chain, and
- () all other financial information and data requested by Buyer from time to time, including, without limitation, information and data related to Seller's cost structure.

Seller shall immediately notify Buyer in writing of any of the following events or occurrences, or any facts or circumstances reasonably likely to give rise to any of the following events or occurrences:

- i. any failure by Seller to perform any of its obligations under the Contract;
- ii. any delay in delivery of Goods under the Contract;
- iii. any nonconforming Goods or quality problems relating to the Goods covered by the Contract;
- iv. any changes in Seller's corporate structure or organization (including any direct or indirect change in control or ownership of Seller);
- v. any deficiency in Buyer's specifications, samples, prototypes or test results relating to the Contract;
- vi. any failure by Seller, its suppliers, subcontractors or common carriers, to comply with applicable Laws in force in each country where the Goods are, or are intended to be manufactured, used, sold or transferred and/or the services are performed, including, with respect to transportation of Goods under the Contract; or
- vii. any material change in Seller's authorized representatives, insurance coverage or professional certifications (e.g. ISO 9001).

If Seller is insolvent, or if a receiver or trustee or administrator is appointed with respect to the Seller, Seller will immediately inform Buyer.

Seller grants, under reasonable conditions, Buyer or any other third party designated by Buyer full access to Seller's premises, books and records, for the purpose of auditing Seller's compliance with the terms of the Contract or inspecting or conducting an inventory of finished Goods, work-in-process, raw materials, manufacturing processes and facilities, testing methodologies, any of Buyer's Property and all work or other items to be provided pursuant to the Contract. Seller will cooperate with Buyer so to facilitate Buyer's audit.

In addition, upon Buyer's request, Seller shall cause its suppliers and subcontractors to allow Buyer to perform the above mentioned inspections and audits at their respective facilities and of the respective premises, books and records.

All information above shall only be used or disclosed by Buyer, except if otherwise set forth in Exhibit A, in connection with its business, including, without limitation, for any reason related to or in connection with the Contract or with its risk management functions. Seller will preserve all records pertinent to the Contract, and Seller's performance under the Contract, for a period of not less than ten (10) years after Buyer's final payment to Seller under the Contract. Any such audit or inspection conducted by Buyer or its representatives will not constitute acceptance of any Goods (whether in progress or finished), relieve Seller of any liability under the Contract or prejudice any rights or remedies available to Buyer.

13. Work Performed on Buyer's Premises

If Seller or its subcontractors perform any work on Buyer's premises or utilizes the property of Buyer, whether on or off Buyer's premises, Seller will indemnify and hold Buyer harmless from and against any liability, claims, demands or expenses (including, without limitation, legal and other professional fees) for loss of or damages to property, or persons, including injuries and death, to Buyer or Seller, Buyer's or Seller's employees, subcontractors or any other person arising from or in connection with Seller's performance of work or use of Buyer's property.

14. Price and Payment

The prices stated in the Purchase Order are fixed and are not subject to adjustment for changes in volume, in the price of raw materials or labor, in currency valuation, or for any other reason, unless the prices are adjusted by written agreement of the Parties and then only to the extent specified in that written document.

Seller shall present cost breakdowns to Buyer, in compliance with the documents issued by Buyer and delivered to Seller during the quotation phase.

The prices include the supply of all the materials, labor, labor/social security taxes and contributions related to Seller's manpower, insurance, equipment, management expenses, and any taxes or contributions due or that will be due under the Purchase Order and/or its performance, except otherwise agreed by Buyer in writing.

Payment terms are as set forth in the Contract and will be enforceable to the maximum allowed under applicable Law. Seller will promptly submit correct and complete invoices or other agreed billing communications with appropriate supporting documentation and other information reasonably required by Buyer (collectively, the "Invoice") after delivery or performance of Goods, and the payment period set forth in the Contract will not commence until Buyer has received a correct and complete Invoice which meets all of Buyer's requirements.

Each Invoice must comply with all applicable Law, be issued to the relevant Buyer and include the following information: (i) amount due (in the currency specified in the Contract); (ii) location of delivery or performance; (iii) shipment or delivery information; (iv) Contract or Purchase Order number as applicable; (v) delivery receipt numbers; (vi) the VAT number of Buyer and if applicable, the intra-EU VAT number; and (vii) net weight of physical Goods. Buyer may reject any invoice that is inaccurate or does not conform to these requirements, and Seller will promptly reissue any such rejected invoice. Buyer will use commercially reasonable efforts to assist Seller in correcting any invoice that has been rejected as incomplete or otherwise incorrect.

Buyer's failure to reject an invoice does not constitute Buyer's acceptance of the Goods to which such invoice pertains. Seller is requested to send invoices electronically via EDI as preferred method, alternatively PDF or XML upon agreement between the Parties. Based on the agreed invoice method, Seller will sign and agree to the respective relevant agreement, available in Buyer's supplier portal.

Buyer shall pay for Goods in accordance with the payment terms and in the currency set forth in the Contract, subject to confirmation that the Goods have been received and the services have been properly performed. Payments will be made electronically by bank transfer.

Where Buyer has reasonable grounds to believe Goods provided by Seller under the Contract may be subject to any liens, claims or encumbrances, Buyer may withhold payment pending receipt of evidence that such Goods are free of any liens, claims and encumbrances.

15. Customs; Origin

Seller will promptly notify Buyer in writing of material or components used by Seller in the supply of Goods to Buyer, which Seller purchases in, or transfers from, a country or customs territory (e.g., the European Union) other than the country or customs territory in which the Goods are delivered to Buyer, and any duty included in the purchase price of the Goods. Seller

shall provide certificates of preferential origin, non-preferential origin and all other customs related documents necessary to comply with the destination country's rules of origin requirements, and any special trade programs, including applicable free trade agreements, and any other customs-related documentation requested by Buyer. Seller will submit preferential origin certificates only in the format provided by Buyer.

Seller shall notify Buyer of any existing or ongoing investigation initiated by the customs agency of the country from which it may export the Goods and provide Buyer with all information and material as required by Buyer if such investigation will or likely may impose any negative impact on the export or Delivery of Goods to Buyer. Seller shall work with Buyer on a mitigation plan (without prejudice to Buyer's rights under Section 21) to ensure the on-time delivery and export to Buyer in accordance with the Purchase Order. Any additional cost incurred to implement such mitigation plan shall be borne by Seller.

If the Goods will not qualify for preferential duty treatment under the programs applicable to the country or customs territory of importation, Seller must inform Buyer of that fact during the negotiation process leading to the selection of Seller as the supplier of the Goods, in which case Buyer may exempt Seller from providing a certificate of origin for such qualification. Absent any such notification from Seller during the selection process, failure of the Goods to qualify for preferential treatment after the selection of Seller will entitle Buyer to immediately terminate the Contract or charge Seller for any duties paid in excess of the duty rates contemplated by the Parties during the selection process, at Buyer's election, unless Seller can show a change in Law occurring after the selection of Seller that would justify disqualification of the Goods from preferential duty treatment.

Credits or benefits resulting or arising from the Contract, including trade credits, export credits or the refund of duties, taxes or fees, will belong to Buyer. Seller will timely and accurately provide all information necessary (including written documentation and electronic transaction records) to permit Buyer to receive such benefits or credits.

Seller warrants that the information regarding the import or export of the Goods supplied to Buyer is true and correct, and that all sales made to Buyer will be made at not less than fair value under the anti-dumping Laws of the countries to which the Goods are exported.

Seller guarantees that "made in ..." or "fabriqué en ..." statements that may appear on the supplies, packaging, label and delivery notes are true and correct, and Seller shall ensure the internal consistency of such materials, i.e., that they are not contradictory in any respect.

Seller shall, for the supply of Goods manufactured in the same country and/or customs territory (EU for example) as manufacturing place of the vehicle or where part or component are fitted with the Goods, provide preferential origin certificates ("long-term suppliers declarations"), on Buyer's request, except if Seller's offer included the explicit statement that the Goods do not qualify for preferential origin.

The same obligation applies to deliveries of Goods which are supplied from a different country and/or customs territory than the country where the vehicles are manufactured or where parts or components are fitted with the Goods, if the respective country(ies) and/or customs territory(ies) are joint parties to free trade agreements (e.g. different EU member states) or if the respective countries are subject to preferential free trade agreements allowing for cumulation. Seller shall submit preferential origin certificates ("long-term suppliers declarations") only in the format provided by Buyer.

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, without limitation, 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 Nuevo Esquema Empresa Certificada (NEEC) program). At the request of Buyer or the appropriate Customs Authority, Seller will certify in writing its compliance with the foregoing.

16. Taxes

16.1 Transactional Tax

Unless otherwise provided in the Contract, the prices set forth in the Contract will be exclusive of any applicable transactional taxes, including any sales, use, excise, services, value added tax, goods and services tax, or similar tax, and these taxes should be separately identified by Seller in both Seller's quote and in the Contract even if the tax rate is zero. Buyer will not be responsible for any transactional taxes charged by Seller that are not identified in this manner. Seller shall separately state all charges for transactional taxes on its Invoices. Additionally, Seller shall provide Buyer with Invoices in line with the applicable tax Laws to enable, when applicable, Buyer to reclaim the transactional taxes and Seller will provide such documentation no later than when the payment to which the Invoice relates is due from Buyer. Seller will be responsible, when applicable, for remitting the transactional tax to the applicable taxing authority except for those states or jurisdictions where Buyer has provided Seller with an appropriate exemption certificate or when a tax exemption applies to the transaction covered by this Contract. Seller will use reasonable efforts to apply for such exemptions where applicable. Seller will not charge Buyer for any transactional taxes charged by a subcontracting supplier if such tax is recoverable by Seller, or if not recoverable, it would have

been, had Buyer taken the appropriate steps, including structuring the transaction through other entities (either Seller's or Buyer's affiliated companies). If transactional taxes are not recoverable by Seller, Seller agrees to provide detailed billing and customs or other documents as requested by Buyer, which set out the transactional taxes paid or payable to any of Buyer's subcontracting suppliers or to a taxing authority.

16.2 Withholding tax

If there is any withholding tax applicable on payments by Buyer to Seller, such withholding tax will reduce the amount paid by Buyer to Seller and be borne by Seller. Both Parties will work together and cooperate with each other to minimize, to the extent legally possible, any potential withholding tax; for this purpose, Seller shall provide any statements, forms, affidavits or other documents reasonably requested by Buyer to reduce or eliminate such withholding tax. As the case may be, Buyer will send to Seller the necessary documentation in order to claim the foreign tax credit.

Buyer will not be responsible for any interest or penalties associated with Seller's failure to collect or remit any applicable taxes.

17. Seller's Property

Seller will furnish, keep in good condition, and replace when appropriate, all machinery, equipment, tools, jigs, dies, gauges, fixtures, molds, patterns and other items ("Seller's Property") necessary for the production of the Goods. Seller will insure Seller's Property with coverage for all losses for its replacement value. All expenses resulting from the foregoing shall be borne by Seller. Seller grants Buyer an irrevocable option to acquire ownership and possession of Seller's Property that is used for the production of the Goods upon payment to Seller of its net book value less any amounts that Buyer has previously paid to Seller for the cost of such Goods; provided, however, that this option will not apply if Seller's Property is used to produce goods that are the standard stock of Seller or if a substantial quantity of like goods are being sold by Seller to others, in each case that utilized Seller's Property to manufacture the same, and this option may only be exercised in connection with a termination of the Contract for cause under an Exhibit A.

18. Buyer's Property

All supplies, materials, prototypes and production tools, jigs, dies, gauges, fixtures, molds, patterns, casting patterns, cavities, equipment, software, drawings, documentation, engineering specifications, PPAP submissions and information and test reports, manufacturing aides, test and assembly fixtures, and other items, in each case together with any accessions, attachments, parts, accessories, substitutions, appurtenances, modifications, repairs, refurbishments and replacements thereof and all intellectual property rights contained therein, furnished by or on behalf of Buyer, either directly or indirectly, to Seller, or paid by Buyer through the piece price or in a Purchase Order ("Buyer's Property"), is and shall remain the exclusive property of Buyer, and all right, title and interest in and to Buyer's Property will remain with Buyer, subject only to the limited right of possession and use granted to Seller under this Section. Seller holds Buyer's Property as a bailee at will for the benefit of Buyer. If any tooling that is Buyer's Property does not fully comply with this Contract or otherwise does not meet Buyer's quality standards, Buyer shall not be obligated to pay for such tooling and all amounts paid by Buyer shall be promptly refunded to Buyer by Seller.

Seller will bear all risk of loss of and damage to Buyer's Property, regardless of whether Buyer's Property is located on Seller's premises or Seller's supplier's or subcontractor's premises. Buyer's Property will at all times be properly housed by Seller or its suppliers or subcontractors (as approved in writing in advance by Buyer), insured and maintained by Seller in good condition all at Seller's expense. Seller will replace or repair any such Buyer Property when lost, stolen, damaged, worn, deteriorated or destroyed. Seller will ensure that neither Seller, its suppliers or subcontractors will use Buyer's Property for any purpose other than the performance of the Contract. Buyer's Property will: (i) be deemed to be personalty; (ii) be conspicuously marked by Seller as the property of Buyer; (iii) not be commingled with the property of Seller or with that of a third person; and (iv) not be moved from Seller's premises without Buyer's prior written approval.

Buyer will, at any time, have the right to immediate possession of Buyer's Property, on Buyer's demand. If title in any Buyer's Property has not otherwise passed to Buyer, title will pass as specified in the Contract. Upon the request of Buyer, Buyer's Property will be immediately released to Buyer or delivered to Buyer by Seller, either: (i) via Buyer's selected carrier, at Seller's plant (as per the Incoterms 2020 stipulated in the Purchase Order or as otherwise agreed between Seller and Buyer), properly packed and marked in accordance with the requirements of the carrier; or (ii) to any location designated by Buyer, in which event Buyer will pay to Seller the reasonable costs of delivering such property to such location. If any of Buyer's Property is deemed not owned by Buyer, Seller hereby assigns such Buyer's Property to Buyer and grants Buyer a purchase money security interest in and to all Buyer's Property. Seller, upon request from Buyer, will reasonably cooperate in any act necessary to achieve such assignment or perfect or otherwise establish the priority of such interest, including identifying the date on which Seller takes possession of Buyer's Property and the filing of applicable financing statements

To the fullest extent permitted by Law, Seller waives any liens, claims, encumbrances, interests or other rights that Seller might have or assert on or with respect to any of Buyer's Property for work performed on such property or otherwise. To the

extent any Intellectual Property Rights owned by or licensed to Seller is embodied in, or is otherwise necessary for the intended use of, any Buyer's Property, Seller hereby grants to 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 use of Buyer's Property, to use such Intellectual Property Rights.

19. Intellectual Property Rights

a) Definitions

"Intellectual Property Rights" means any patent, including patented articles, patent applications, designs, industrial designs, copyrights, droit d'auteur, software, source code, database 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. Intellectual Property Rights excludes all brands, trademarks, trade names, slogans and logos of Seller and Buyer unless specifically identified as a deliverable or work product of Seller pursuant to the Contract.

The assignment or the licensing of any Intellectual Property Rights includes the assignment or the licensing of all associated rights and obligations including without limitation the rights to make, have made, manufacture, have manufactured, industrialize, use, service, have used, reproduce, represent, adapt, modify, improve, incorporate, prepare derivative works of, distribute, display, disclose under any form and on any media, inform, perform, offer to sell, advertise, sell and import, with the right to sub-license such rights to any third party.

More specifically, the assignment or the licensing of any copyrights (or any item protected by copyrights) or droit d'auteur to Buyer includes the assignment or the licensing of all associated rights and obligations including, the right: (i) to display, or as the case may be, load, transmit and run the works; (ii) to permanently or temporarily reproduce the works in whole or in part by any means and in any form; (iii) to translate, adapt, arrange and/or otherwise modify the works and to reproduce the results thereof; (iv) to distribute and rent out the works and/or any copy or modification thereof; (v) to communicate it to the public, either by wire or by wireless means, including making the work available to the public in such a way that it is available to members of the public from places and at times individually chosen by them; and (vi) to modify and make derivative works thereof, which shall be owned exclusively by Buyer.

b) Foreground Intellectual Property Rights

"Foreground Intellectual Property Rights" means any Intellectual Property Rights, except Background Intellectual Property Rights: (i) that are related to any work done in whole or in part by Buyer alone, by Buyer and Seller jointly or by Seller alone and conducted under the Contract; or (ii) relating to the Goods.

Should some or all the Foreground Intellectual Property Rights be related to work done by a third party to Buyer, e.g. by subcontractor of Seller, Seller shall ensure that such rights are properly assigned or licensed from such third party to Seller so that Seller is able to assign or sublicense, as required under this Contract, such rights to Buyer and/or any company within Buyer Group.

Buyer and Seller will each retain ownership of any Foreground Intellectual Property Rights that are related to any work that are solely created or made by their respective employees, agents or subcontractors ("Personnel"). Seller hereby grants, upon creation, to Buyer and shall cause its affiliates and their respective Personnel to grant to Buyer, an irrevocable, worldwide, nonexclusive, perpetual to the maximum extent permitted by Law, royalty free, fully paid-up license, with right to sublicense, to all such Foreground Intellectual Property Rights of Seller.

Buyer and Seller will jointly own upon creation any Foreground Intellectual Property Rights that are related to any work that are jointly created or made by Personnel of both Buyer and Seller with the ability to grant licenses, with right to sublicense, without consultation and no duty of accounting to each other for any use or purpose. No exclusive right shall be granted by Buyer or Seller to any third party unless otherwise agreed in writing by the Parties.

c) Background Intellectual Property Rights

"Background Intellectual Property Rights" means any Intellectual Property Rights of either Buyer or Seller relating to the Goods: (i) existing prior to the effective date of the Contract or prior to the date Buyer and Seller began any technical cooperation relating to the Goods, 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 under the Contract.

Buyer and Seller will each retain ownership of their respective Background Intellectual Property Rights.

Unless otherwise provided for in the Contract, Seller hereby grants to Buyer and shall cause its affiliates and their respective Personnel to grant to Buyer, an irrevocable, worldwide, nonexclusive, royalty free, fully paid-up license, with right to sublicense to any company within Buyer Group, to all Background Intellectual Property Rights that are the subject of the Contract or related in any way to the design, manufacture, sale or use of the Goods (the "Limited License"), provided that Buyer (or the companies within Buyer Group) will only use this Limited License in the event that: (i) Seller breaches or repudiates its obligations by being unable or unwilling to deliver Goods as required under the Contract; or (ii) Seller is unable to supply Goods as required under the Contract as a result of a force majeure event, but in such event only for the duration of Seller's inability to supply. The license granted under this Section 19 (c) will remain in effect for the life of the applicable vehicle program(s) in which such Goods are utilized (now or in the future), including any service parts therefor.

d) Copyrights and Droit d'auteur

To the extent that the Contract is issued for the creation of copyrightable works and/or works protectable by droit d'auteur, the works will be considered "works made for hire" for Buyer except to the extent that the works do not qualify as "works made for hire" or the legal concept of "works made for hire" is unknown under applicable Law, in which case Seller hereby assigns to Buyer all right, title and interest in and to such works, including all copyrights and/or droit d'auteur therein. With respect to jurisdictions in which the copyright and/or droit d'auteur cannot be assigned (such as Germany), Seller hereby grants to Buyer an exclusive, irrevocable, perpetual, worldwide, royalty-free, fully paid-up, transferable and sub-licensable right to use any form of copyrightable works and/or works protectable by droit d'auteur made available by Seller to Buyer hereunder (including source code and binary form of software) in any known and unknown manner.

e) Right to Repair

Buyer Group, its dealers, its customers, and its subcontractors have the right to repair, reconstruct, remanufacture, reflash, or rebuild the Goods without payment of any royalty or other amount to Seller.

f) Reverse engineering

Seller acknowledges that Buyer's Property and computer readable data furnished by Buyer to Seller may contain valuable trade secrets. Unless contractually agreed in writing between the Parties, Seller shall not reverse engineer Buyer's Property or data, by, for example, observing, studying, disassembling or testing it. If applicable Law imposes limitations on this obligation, the limitation shall be construed as broadly as legally possible. If Seller learns about Buyer's trade secrets through, for example, contractually agreed reverse engineering, Seller agrees to keep these trade secrets strictly confidential and not to use them for any purpose other than for the performance of this Contract.

g) Free and Open Source Software (FOSS)

Free and Open Source Software has the meaning defined on: <https://www.gnu.org/philosophy/free-sw.en.html> and <https://opensource.org/osd>.

Seller is not allowed to include any FOSS in the Goods (including in the Background Intellectual Property Rights provided under the Contract) except with Buyer's express written agreement. In the event that Buyer accepts the use of any FOSS, Seller shall comply with the terms and conditions of "FOSS" set forth in the Contract.

h) Logic Keys

Seller shall not include in the Goods, any security certificate "logic keys" which were not agreed to by Buyer in writing, or any items likely to prevent their full use. In the case of logic keys or any other items, Seller shall send to Buyer, as and when they are produced, any logic keys or other items necessary for using the Goods in full.

i) Miscellaneous

Goods manufactured based on Buyer's drawings, designs, and/or specifications and/or any software or models provided by Buyer may not be used for Seller's own use or sold to third parties without Buyer's express written authorization. All of the foregoing shall be deemed Buyer's Property.

Nothing in the Contract is an admission by Buyer of the validity of any Intellectual Property Rights claimed by Seller, including an admission that any license is required by Buyer to manufacture the Goods or continue the services contracted. Seller will claim and acquire all rights and waivers of Seller's personnel required to enable Seller to grant Buyer the rights and licenses in the Contract. Seller assumes full and sole responsibility for compensating Seller's personnel for such rights and waivers, including the remuneration of employees.

Seller, on behalf of itself and Buyer Group and their respective dealers and customers, will comply with all obligations with respect to software that forms any part of the Goods, including obligations under any licenses.

j) Trademarks

Seller is allowed to reproduce and use the trademarks belonging to Buyer ("Buyer Trademarks") solely to put Buyer Trademarks on the Goods that meet the quality requirements under the Contract and/or on Buyer's Property), and in accordance with Buyer's published marking standards. Any other use or reproduction, in any manner whatsoever, of Buyer Trademarks or trademarks belonging to any company within Buyer Group is forbidden. Seller recognizes Buyer's right, title and interest in Buyer Trademarks throughout the world and all Buyer Trademarks will be and shall remain the property of Buyer. Any and all use of Buyer Trademarks by Seller inures to the benefit of Buyer and its related companies.

Seller is prohibited from using its own trademarks, or those from any third party, on Goods bearing any Buyer Trademark or an identifying mark specified by Buyer, or if the Goods use Buyer's design (a "Marked Part"). Seller will not sell any Marked Part to any third parties without Buyer's prior written consent. Seller agrees to immediately discontinue any use of Buyer Trademarks on the Goods or any other items upon Buyer's request or at the termination of the Contract and Seller agrees to do one or more of the following at Buyer's option: (i) destroy any such Goods or items and present to Buyer an affidavit of destruction; (ii) return or sell to Buyer at cost any such Goods or items; or (iii) remove and destroy any Buyer Trademarks from any such Goods or items and present to Buyer an affidavit of removal and destruction.

k) Extension of the Goods to new countries

If Buyer decides to produce products having or using the Goods in a new country different from the country where said Goods are made and supplied under the Contract or to grant a third party a license for the production of Buyer's products that have or use the Goods in said country, upon Buyer's request Seller shall make its best efforts to facilitate Buyer's initiatives with reference to localization of the Goods, either through direct local production or through joint-venture production with a local partner or by locally granting a suitable production license, or through other suitable methods allowing Buyer to implement the production or use of the Goods in that new country, ensuring that the Goods cost and quality meet Buyer's standards.

20. Intellectual Property Indemnification

Seller represents and warrants that the manufacture, possession, sale or use of the Goods does not infringe or contribute to the infringement of, misappropriate or violate any patent, copyright, trade secret, trademark or any other Intellectual Property Right of a third party.

Seller will investigate, defend, hold harmless and indemnify Buyer, the companies within Stellantis N.V. group, their successors (collectively "Buyer Group") and their dealers and customers against any actual or alleged claims of infringement, misappropriation, violation 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 attorney's and other professional fees) arising in any way in relation to the Goods, including such claims where Seller has provided only part of the Goods (collectively "IP Claims"). Seller expressly waives any claim against Buyer Group that any such IP Claims arose out of compliance with Buyer Group's or its dealers' or customers' design, specification or direction.

In the event a third party makes an IP Claim, Seller shall promptly, at Buyer's option, without suspension in the supply of the Goods to Buyer, (i) procure for or on behalf of Buyer, at no expense to Buyer, the right to continue using the Goods; (ii) replace the Goods subject to such claim, at no expense to Buyer, with a non-infringing equivalent component, of equal performance and quality that is acceptable to Buyer in its sole discretion; or (iii) modify the Goods subject to such claim, at no expense to Buyer and without impacting their performance and quality, so that they no longer infringe the alleged third party's rights in a manner this is acceptable to Buyer in its sole discretion.

21. Remedies: Indemnity

The rights and remedies of Buyer in the Contract are cumulative with, and additional to, all other rights and remedies of Buyer under applicable Law or in equity. Without limiting the foregoing, in the event that any Goods fail to conform to the warranties or other requirements set forth in the Contract or the product specifications incorporated by reference in the Contract, or if Seller otherwise breaches or fails to fully and timely perform any of its obligations under the Contract, Buyer will be entitled to recover from Seller any and all damages, including, without limitation, all direct, indirect, incidental, special and consequential damages, lost profits and revenues, and all legal and other professional fees and costs incurred by Buyer as a result of or in connection with such breach or failure, including, without limitation, direct and indirect costs, expenses and losses incurred by Buyer: (i) in inspecting, sorting, testing, repairing or replacing nonconforming Goods or nonconforming deliveries; (ii) resulting from production interruptions or stoppages; (iii) in conducting recall campaigns or other corrective service actions; (iv) resulting from personal injury, including death, or property damage; or (v) in complying with applicable Laws. If requested by Buyer, Seller will enter into a settlement agreement for the administration and processing of warranty claimbacks for nonconforming Goods.

Seller will indemnify, defend and hold harmless Buyer Group against any liability, claim, demand and expense (including, without limitation, legal and other professional fees) arising from or relating to any failure of Seller to fully perform any of its obligations under the Contract.

Any Seller representation, warranty and indemnification obligations hereunder, including without limitation, reimbursement of damages for business interruption set forth under the Contract, shall extend to Buyer Final Client.

22. Insurance

Seller shall ensure that the risk prevention measures in compliance with Exhibit A and the best international standards are met at all times at the manufacturing facilities where the Goods are manufactured and, in particular, in such facilities where the Goods are installed, stored or used.

The minimum limits required under this Section may be satisfied through a combination of primary and umbrella liability policies, so long as total limits provided under those policies are not less than the stated limits required.

Upon Buyer's request, Seller will promptly provide to Buyer copies of certificates of insurance evidencing such coverage. Upon any cancellation or adverse amendment of any insurance policy required under the Contract, and prior to its effective date, Seller will deliver replacement certificates of insurance to Buyer certifying the required types and amounts of insurance coverage set forth herein have been obtained.

Seller shall declare every claim within the deadline and in the manner stipulated by the related Laws and the insurance policies. Seller shall immediately notify Buyer of any change, suspension or cancellation for any reason relating to the coverage level or field of its insurance policies. The fulfillment, or non-fulfillment, of the insurance obligations under the Contract will not relieve Seller of any liability assumed by Seller or in any way modify Seller's obligations under the Contract, including, without limitation, its obligations to indemnify Buyer. The required types and amounts of insurance will not necessarily be adequate to respond to all exposures to loss. The required limits of insurance will not be deemed as a limitation or maximum liability of Seller under the Contract, including, without limitation, its obligations to indemnify Buyer. Seller will be financially responsible for any deductibles, retentions, self-insurance, co-insurance, premiums, and claims or losses in excess of required insurance limits. Seller will cause and confirm that all third parties, including, without limitation, Seller's affiliates, subcontractors and suppliers, providing Goods maintain the same, or greater, insurance requirements as set forth in this Section, name Buyer as an additional insured on all required insurance policies, and otherwise comply with this Section.

23. Compliance with Laws

In addition to any requirements set forth in the specifications, Seller warrants and covenants that:

(i) it shall timely obtain and maintain any applicable certifications, type approvals, licenses or other regulatory or government approvals for the Goods required under applicable Laws in force in each country where the Goods are manufactured, used, sold or transferred and/or the services are performed including but not limited to product safety and vehicle emissions including CO₂;

(ii) the Goods, including but not limited to the specifications, delivery and performances of the Goods, shall not impede, delay or otherwise negatively impact Buyer or any third party to whom Buyer sells a product in which the Goods have been incorporated or prevent timely compliance of Buyer with all applicable Laws from time to time in force in the locations where the Goods are made or delivered and where vehicles equipped with the Goods will be delivered, sold or used including but not limited to product safety and vehicle emissions including CO₂;

() all Goods supplied to Buyer have received any required certification or otherwise received required approvals and that all Goods supplied are in the same material configuration and condition set forth in any application or other submission for certification, including emissions certification, or other approval submitted to any applicable governmental or regulatory authorities. Seller shall provide Buyer with a copy of any relevant certification, certificate of conformity or other approval from applicable governmental or regulatory authorities prior to supplying any Goods and Seller shall promptly notify Buyer if Seller becomes aware of any non-conformity with such certification or other approval or non-compliance with any certification requirements with respect to any Goods.

In providing Goods and otherwise performing under this Contract, Seller and its suppliers and subcontractors, will comply with: (i) any and all applicable Laws; and (ii) any and all applicable Policies.

Seller further represents and warrants 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 labor, or engage in abusive employment or corrupt business practices, in the supply of Goods. Seller agrees to comply with all applicable anti-corruption laws in force in each country where the Goods are manufactured, used, sold, or transferred and/or the services are performed, including, without limitation, under French, Italian, UK and U.S. Law, and that 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 that person in his/her official capacity. At Buyer's request, Seller will certify in writing its compliance with the foregoing.

Seller will comply with all applicable Environmental Requirements, including the application thereof to Hazardous Work Product. "Environmental Requirements" includes all Laws pertaining to the protection of human health, safety, wildlife, or the environment. "Hazardous Work Product" includes any material or substance that is regulated by an Environmental Requirement. In particular and without limitation, Seller will comply with all applicable Laws regarding the registration, restriction, prohibition, and/or recyclability of chemicals, including those identified in the Global Automotive Declarable Substance List and any of Buyer's applicable Policies. Seller represents, warrants and covenants that all Goods that are required to be registered on an official inventory maintained by the pertinent governmental jurisdiction have been, or will be as required thereby, registered in full compliance with applicable Law, and Seller will provide immediate notice to Buyer of any use restrictions, reporting requirements, or other obligations imposed with respect to such Goods.

Seller shall comply with Stellantis N.V. group Global Responsible Purchasing Guidelines and acknowledges that it has adopted a code of conduct no less stringent than Stellantis N.V. group Code of Conduct.

At the reasonable request of Buyer, Seller will cooperate with and assist Buyer's other suppliers and contractors in connection with the Contract, these General Terms and Conditions or any Purchase Order.

Seller will indemnify and hold Buyer harmless from and against any liability, claims, demands or expenses (including, without limitation, legal or other professional fees) arising from or relating to Seller's noncompliance with the Laws; Seller will sustain all costs and expenses needed to achieve compliance with existing or new Laws.

24. Export Controls; Sanctions Compliance

Seller agrees to become knowledgeable of and comply with all applicable export control and sanctions Laws, including those of the EU, the United States and any other applicable jurisdiction (the "Export Control Laws"). Seller will not violate, and will not cause Buyer to violate, any Export Control Laws (e.g. by transshipping goods through, or supplying Goods or services from, sanctioned countries, or with the assistance of any individuals appearing in sanctioned lists). Seller is aware of the constant change of countries, entities and persons mentioned in sanctioned lists and has taken steps to keep up to date with such changes.

With respect to the Goods or technology that Seller sells to Buyer, Seller will provide to Buyer the information necessary to ensure compliance with Export Control Laws, including any potential military use of such Goods, Export Control Classification Number (ECCN), percent (%) of U.S. content, or if requested, of other country or regional content prior to the sale or Seller's start of real production ("SORP"), whichever is earlier. Licenses or other authorizations required for the export of Goods will be the responsibility of Seller unless otherwise agreed in the Contract, in which event Seller shall provide all necessary information as may be requested by Buyer to request or obtain such licenses or authorizations.

25. No Waiver

The failure of either Party at any time to require performance by the other Party of any provision of the Contract will in no way affect the right to require such performance at any time thereafter, nor will the waiver of either Party of a breach of any provision of the Contract constitute a waiver of any succeeding breach of the same or any other provision.

26. Non-Assignment

Under no circumstances may Seller transfer, assign or delegate, in whole or in part, any of its rights or obligations under the Contract (including, without limitation, any right of payment and credit arising from such Contract), whether directly or indirectly by merger, acquisition or contribution to a joint venture, without Buyer's prior written consent, including but not limited to transfers resulting from mergers or acquisitions not accepted by Buyer. Any assignment or delegation by Seller in violation of this Section will be void and of no legal effect. Buyer shall have the right to assign any and all claims against Seller to any third party and the law and venue chosen by such third party shall control with respect to such assigned claim.

Buyer shall have the right, after notification to Seller, to assign the Contracts to any company under the Control of Stellantis NV.

27. Nature of the Relationship of Parties

Seller and Buyer are independent contracting parties and nothing in the Contract will make either Party the agent or legal representative of the other 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 other.

28. Severability

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

29. No Exclusivity

No exclusivity is granted to Seller in relation to the supply of the Goods. Therefore, Buyer is allowed to purchase Goods from any other supplier without obtaining prior agreement of Seller and/or giving notice to Seller.

Buyer may provide Seller with estimates, forecasts, or projections of its anticipated future quantity requirements for Goods. Each of these expressions of anticipated future requirements for Goods is provided for informational purposes only, and is not intended to be, and is not, a commitment by Buyer to buy those future requirements.

30. Governing Law, Jurisdiction

The Contract will be governed by and construed in accordance with the laws of the jurisdiction as set forth in the Exhibit A. In addition, the venue and jurisdiction for all disputes under or related to the Contract will be as set forth in the Exhibit A.

NORTH AMERICA EXHIBIT A TO GLOBAL GENERAL TERMS AND CONDITIONS

This North America Exhibit A to the Global General Terms and Conditions (“**Global GTCs**”) is hereby agreed to by and between FCA US LLC, a Delaware limited liability company (“**FCA**”), and the individual or entity clicking “Accept” or otherwise agreeing to the General Terms and Conditions as specified in Section 1 below (each, a “**Seller**” and collectively with FCA, the “**Parties**”). The Global GTCs as modified by this Exhibit A shall collectively be referred to as the “**General Terms and Conditions**”. To the extent this Exhibit A conflicts or is inconsistent with the Global GTCs, this Exhibit A shall control. Capitalized terms used herein (i) shall have the meaning ascribed to them herein and (ii) but not defined herein shall have the meaning set forth in the Global GTCs.

The General Terms and Conditions are part of the Contract, which constitutes a binding agreement between the Parties, and will operate as a “master agreement” governing all transactions and the relationship between the Parties, including the research, development, manufacturing, purchase, sale, and license of goods and/or services between the Parties, including Purchase Orders, until such time as the Contract is terminated (as permitted below) or amended (but only as specifically permitted in Section 1 below) by the Parties. FCA’s Affiliates shall have the right to enforce the Contract against Seller if such Affiliate is dealing with or receiving goods or services from Seller, and FCA shall have the right to assign any of its rights and/or obligations under the Contract to any Affiliate. “**Affiliate**” means any entity controlled by, controlling or under common control with FCA or Seller, as applicable. Notwithstanding the definition in the Global GTCs, the term “**goods**” as used in the General Terms and Conditions shall mean goods, tangible and intangible property, software, and services, as the context requires and to the extent covered by the applicable Purchase Order.

Seller and FCA agree on the following mutually beneficial goals, assumptions, and objectives in entering into the Contract: (i) the confidential nature of information being provided by FCA to Seller in connection with Seller’s research, development, manufacturing, purchase, sale, and license of goods and/or services and Seller’s involvement with the bidding process and the manufacture and supply of goods; (ii) to ensure a reliable and timely supply of high-quality goods covered

by a Purchase Order; (iii) to implement common or complementary processes to forecast necessary quantities, place orders, ship, receive, and make payments for goods; (iv) to identify, contain, and resolve promptly and fairly any issues as to timeliness and quality of goods to achieve FCA's goals; (v) to routinely identify opportunities and implement cost-saving measures related to goods covered by a Purchase Order and the processes of creating, shipping, delivering, and receiving, and Seller's use of, goods, all in accordance with applicable Law (as defined below) and the specific terms and conditions of a Purchase Order; and (vi) each Purchase Order is conditioned upon (a) FCA's ability to, and the sole purpose for entering into a Purchase Order and FCA accepting delivery of and purchasing the goods under a Purchase Order is for FCA to, utilize the goods, directly or indirectly, in the production, manufacturing, distribution, and sale of automobiles and (b) the ability of consumers to visit dealerships and purchase or lease FCA automobiles. This statement of shared goals, assumptions, and objectives is intended to govern the Parties' relationship and is not intended to limit the scope of Seller's obligations. To the extent any aspect of the Contract is unclear or ambiguous, the same will be construed so as to be consistent with and accomplish the goals, assumptions, and objectives set forth above. Unless clearly indicated otherwise by context, all references to and uses of "Purchase Order" in the General Terms and Conditions are deemed to mean each applicable Purchase Order (as defined below) and the Contract as a whole (whether or not a Purchase Order has been issued by FCA at the time).

The Parties hereby agree as follows (which agreement includes the foregoing paragraphs):

1. **Applicability; Effectiveness; Entire Agreement; Acceptance.**

a. Notwithstanding the Global GTCs (see Section 1 thereof), these General Terms and Conditions (and the Contract as a whole) can either be accepted and agreed to by Seller by (i) clicking on "Accept" in the Supplier Portal (as defined below) or otherwise indicating its agreement to the General Terms and Conditions, (ii) providing written acceptance to FCA, or (iii) commencing any work under a Purchase Order, including the ordering of any component of a good, which also serves as acceptance of such Purchase Order subject to and including these General Terms and Conditions. SELLER SPECIFICALLY WAIVES ANY REQUIREMENT FOR SIGNED ACCEPTANCE OF THESE GENERAL TERMS AND CONDITIONS AND OF A PURCHASE ORDER, AND SELLER AND FCA EACH WAIVE ANY DEFENSE TO THE VALIDITY AND ENFORCEABILITY OF A PURCHASE ORDER ARISING FROM THE ELECTRONIC SUBMISSION OF A PURCHASE ORDER TO SELLER AND SELLER'S ACCEPTANCE OF THE ORDER IN ACCORDANCE WITH THESE GENERAL TERMS AND CONDITIONS. Seller acknowledges having actual knowledge of the text of the documents referenced herein. The General Terms and Conditions, including all documents incorporated herein (e.g., the Source Package and the Policies (each as defined below)) can only be amended, modified, altered or supplemented (i) through the issuance of a Purchase Order, or an amended Purchase Order, by FCA and acceptance thereof by Seller in accordance with this Section 1, without modifications, changes or additions to the Purchase Order by Seller, (ii) through a change to an existing Purchase Order through FCA's "Change Notice" ("CN") system, or its successors, or otherwise as specifically permitted by the General Terms and Conditions, (iii) by the Parties specifically agreeing to an amendment of the General Terms and Conditions through a signed writing, (iv) by Seller's use of an FCA "click-through" agreement process, or (v) as permitted by FCA pursuant to Section 39.d. Such modified new version of the General Terms and Conditions (as may be shown by a more current version number or date in the lower right hand corner of such General Terms and Conditions), will apply to all Purchase Orders issued on or after the date of such acceptance by Seller and to all releases issued by FCA after the date of such amendment under Purchase Orders existing on the date of such amendment.

b. FCA may issue Purchase Orders from time to time under the General Terms and Conditions. Seller may not offer terms or conditions that are in addition to or different than those that make up a Purchase Order, all of such Seller terms are deemed material and hereby rejected by FCA. ACCEPTANCE OF A PURCHASE ORDER IS EXPRESSLY LIMITED TO THE TERMS SET FORTH IN SUCH PURCHASE ORDER. Seller shall provide the goods specified in a Purchase Order. A "**Purchase Order**" INCLUDES ONLY THE LANGUAGE IN SUCH PURCHASE ORDER, THE CONTRACT, THE GENERAL TERMS AND CONDITIONS, THE SUPPLEMENTAL CLAUSES REFERENCED BY CLAUSE NUMBERS IN A PURCHASE ORDER (full text of such clauses is available on the Supplier Portal), ANY DOCUMENTS INCORPORATED OR REFERRED IN THE PURCHASE ORDER BY FCA, THE SOURCE PACKAGE (as defined below, if any, which is available in the Supplier Portal) FOR SUCH PURCHASE ORDER, AND ANY OTHER

DOCUMENT OR AGREEMENT EXECUTED BY THE PARTIES RELATED TO THAT PURCHASE ORDER. The General Terms and Conditions and the documents referenced in the foregoing sentence shall be deemed incorporated into and made a part of the applicable Purchase Order, whether or not actually referenced therein.

C. A Purchase Order, along with the other aspects of the Contract, including the Source Package, constitutes the entire and final agreement of the Parties with respect to the goods described therein and cancels and supersedes any prior or contemporaneous negotiation or agreements related thereto or the subject matter contained therein; provided, however, if Seller and FCA each execute an agreement that addresses the same good or service as a Purchase Order, then the applicable Purchase Order and such executed agreement shall apply to such goods or services and any conflicts will be resolved for the benefit of FCA. Except for information specifically requested by FCA in its RFQ or other sourcing process and then accepted by FCA (“**Specifically Requested Information**”), any information, term, or condition inserted by Seller into the Source Package, Supplier Portal, RFQ response, or any other document, is hereby rejected by FCA and will not become a part of the Contract. The supplemental clauses referenced in a Purchase Order are as published on the date of a Purchase Order or on the date of any amendment to such Purchase Order, in each case as shown on FCA’s Web based eSupplierConnect portal (such portal or its successor system, the “**Supplier Portal**”). Seller shall obtain an active login to access the Supplier Portal. Seller acknowledges having read the General Terms and Conditions and the Standard Text ID clauses that are displayed on each Purchase Order (all available on the Supplier Portal) and agrees to be bound by them. Further, Seller shall periodically access and review information and updates on the Supplier Portal; provided, that Seller’s failure to do so shall have no effect on whether Seller is bound by the foregoing. The Supplier Portal is FCA’s main source of communication and dissemination of information with Seller; Seller shall be deemed to have timely knowledge of information on the Supplier Portal. Seller will not permit any of its employees or contractors to share any login information. “**Source Package**” means all final documents, specifications (including those in FCA’s beStandard database or its successor), ADPs (as defined below), roles and responsibilities documents, and other information provided by FCA within the Supplier Portal, but specifically excludes any terms and conditions, regardless of source, that conflict with the General Terms and Conditions.

d. It is the intent of the Parties that the General Terms and Conditions are a binding contract between the parties as a result of Seller “accepting” the same as set forth above in this Section 1. Therefore, the Parties hereby waive and agree that no version of Section 2-207 of the Uniform Commercial Code (UCC) will apply to the Parties in connection with the formation of this contract; however, if the General Terms and Conditions or any Purchase Order is subject to analysis or interpretation under any version of UCC 2-207, Seller agrees that the following terms apply: THESE GENERAL TERMS AND CONDITIONS SUPERSEDE ALL DIFFERENT, CONFLICTING OR ADDITIONAL TERMS PRE-PRINTED OR OTHERWISE SET FORTH ON ANY RELEASE, ACKNOWLEDGEMENT, CONFIRMATION, REQUISITION, SELLER PURCHASE ORDER, SHIPPING INSTRUCTION, SPECIFICATION OR ANY OTHER DOCUMENT OR COMMUNICATION OF OR BY SELLER, INCLUDING, WITHOUT LIMITATION, ANY TERM OR CONDITION INSERTED OR PROVIDED BY SELLER IN THE SUPPLIER PORTAL OR FCA’S RFQ OR SOURCING PROCESS (EACH, A “**SELLER DOCUMENT**”), AND THESE GENERAL TERMS AND CONDITIONS WILL SUPERSEDE ALL SUCH DIFFERENT, CONFLICTING OR ADDITIONAL TERMS REGARDLESS OF WHETHER THE SELLER DOCUMENT OTHERWISE ATTEMPTS TO OVERRIDE THESE GENERAL TERMS AND CONDITIONS OR A PURCHASE ORDER, INCLUDING, WITHOUT LIMITATION, THROUGH THE USE OF THE PHRASE “NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE GENERAL TERMS AND CONDITIONS OR PURCHASE ORDER” OR WORDS OF SIMILAR IMPORT. ALL DIFFERENT, CONFLICTING OR ADDITIONAL TERMS SET FORTH IN ANY SELLER DOCUMENT ARE HEREBY DEEMED MATERIAL AND ARE HEREBY EXPRESSLY REJECTED BY FCA, AND ANY FURTHER PERFORMANCE BY THE PARTIES RECOGNIZING THE EXISTENCE OF A CONTRACT (BY COURSE OF DEALING OR OTHERWISE) DESPITE SUCH REJECTION SHALL BE DEEMED TO BE A CONTRACT CREATED THROUGH SELLER’S ACCEPTANCE OF THE FCA-ISSUED PURCHASE ORDER SUBJECT TO THE GENERAL TERMS AND CONDITIONS, THE ACCEPTANCE OF SUCH TERMS IS HEREBY MADE A CONDITION BY FCA TO THE OFFER AND THE FORMATION OF A CONTRACT. ALL PURCHASE ORDERS ARE DEEMED OFFERS (OR SUBSEQUENT OFFERS OR COUNTER OFFERS BY FCA IF ORIGINALLY REJECTED BY SELLER) FROM FCA, AND ACCEPTANCE THEREOF IS (I) EXPRESSLY LIMITED TO THE TERMS OF SUCH FCA OFFER (OR COUNTER OFFER) CONTAINING DIFFERENT OR ADDITIONAL TERMS, WHICH INCLUDES THE GENERAL TERMS AND CONDITIONS, AND (II) CONDITIONED

ON SELLER'S ASSENT TO THE TERMS OF SUCH FCA OFFER (OR COUNTER OFFER) CONTAINING DIFFERENT OR ADDITIONAL TERMS. IF FCA'S PURCHASE ORDER IS DEEMED A RESPONSE TO AN OFFER BY SELLER, ACCEPTANCE THEREOF IS EXPRESSLY CONDITIONED ON SELLER'S ASSENT TO THE TERMS OF FCA'S PURCHASE ORDER, WHICH INCLUDES THE GENERAL TERMS AND CONDITIONS, CONTAINING DIFFERENT AND ADDITIONAL TERMS. Other than for purposes of recognizing a contract created pursuant to an FCA-issued Purchase Order, no course of dealing or course of performance shall expand or otherwise modify or be construed as expanding or modifying any Party's rights, responsibilities, or obligations under a Purchase Order.

e. If Seller bids on any good and thereafter directs or requests that an entity affiliated with Seller supply such good, then even if the Purchase Order is with such affiliate, Seller shall be jointly and severally liable with such affiliate for all obligations and liabilities associated or connected with that Purchase Order.

f. Seller is assuming or taking over the responsibility for a good that has been supplied by a third party, the Purchase Order issued to Seller for such good shall be deemed to incorporate the Source Package from the original order issued to the predecessor third party. Seller may request a copy of such Source Package at any time. Seller shall also comply with all FCA processes, policies, guidelines (including any raw material or steel guidelines), instructions, documents, and procedures applicable to Seller or Seller's required or actual performance or obligations under a Purchase Order, including those set forth on the Supplier Portal, as each is amended or added from time to time (collectively, "**Policies**" or individually a "**Policy**"). The Policies are hereby incorporated into these General Terms and Conditions. FCA shall have the right to unilaterally revise any Policy at any time by publishing such new Policy on the Supplier Portal. Seller shall be responsible to periodically check the Supplier Portal for updates to the Policies. Such revised Policy shall apply to all Purchase Orders issued after the published date of such new Policy and to all existing Purchase Orders; Seller's continued performance under such existing Purchase Orders shall be deemed consent to such revised Policies.

g. From time to time, FCA may issue Purchase Orders that are not binding on FCA until FCA (i) approves the vehicle program for which goods are being or will be provided under such Purchase Order ("**Program Approval**") and (ii) FCA removes the non-binding clause in the Purchase Order through the issuance of a new, re-released or updated Purchase Order or another method. Notwithstanding any other provision of such Purchase Order, these General Terms and Conditions, or any other agreement or document, such nonbinding Purchase Order imposes no obligations or liability on FCA. FCA does not represent or warrant that Program Approval will occur or that FCA will issue a new Purchase Order even if Program Approval is obtained. Upon Program Approval, FCA shall have the right to (i) make changes to the Purchase Order through the issuance of a replacement Purchase Order with no obligation or liability to Seller, including without limitation, under Section 11 of these General Terms and Conditions, or (ii) terminate the Purchase Order without any obligation or liability to Seller, including, without limitation, under Section 19 of these General Terms and Conditions. FCA may, in its sole discretion, terminate such non-binding Purchase Orders at any time with no liability or obligation.

h. The Parties are agreeing to these procedures and rules of conduct set forth in this Section 1 to ensure consistent terms and conditions apply to their business relationship. Furthermore, as FCA issues thousands of purchase orders each year to many different suppliers, FCA needs to ensure it has consistent and predictable terms and conditions that apply across all of its suppliers to avoid inconsistent outcomes.

2. **Delivery; Scheduling.**

a. Seller shall deliver goods in quantities required by FCA at times specified by FCA from time to time.

b. Without limiting FCA's rights and remedies, if Seller fails to timely make one or more deliveries, delivers or provides fewer or more goods than specified by FCA, fails to perform in accordance with a Purchase Order (including as to time) or FCA's Policies, written releases, processes, and instructions, as adjusted from time to time by FCA, or otherwise fails in any aspect of a Delivery, all damages and losses of every type (direct and indirect) suffered or incurred by FCA and its Affiliates and their respective suppliers as a result thereof, including but not limited to any premium or extra transportation costs, Special Damages (as defined below), cost to obtain replacement goods or services, the impact on FCA's operations and overall business, and costs and expenses in efforts to mitigate the impact on FCA's business, will be immediately paid by Seller to FCA. In addition, FCA shall not be required to make payment for goods delivered to FCA that are in excess of firm quantities and delivery schedules specified in the Contract or by FCA.

3. **Shipping; Packaging.**

a. Unless otherwise set forth in a Purchase Order, Seller shall be responsible for arranging and paying for all shipping of goods. In any event, FCA has the right to specify the carrier and/or method of transportation, and Seller will process shipping documents and route shipments of the goods to the Delivery point accordingly. Seller will comply with all of FCA's transportation routing instructions and Policies, including mode of transportation, utilization of assigned carrier, and identification of the shipping point. Seller will be responsible for (i) all costs, including Special costs, incurred by either Party as a result of Seller's failure to comply with FCA's transportation instructions and Policies or FCA's delivery requirements and schedules and (ii) expedited shipping costs other than those directly resulting from last minute schedule changes requested by FCA due to no fault of Seller. Even if FCA has specified the carrier, method of transportation, or any other aspects of or related to shipping, carriers, or packaging, or FCA arranges a carrier or shipping as a result of timing or delivery issues created by Seller, Seller is fully responsible and liable for delays or failure to timely deliver any good. Seller shall not procure, produce or ship any goods unless authorized in writing by FCA or as necessary to meet specific delivery dates. FCA may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Seller to a modification of the price of goods.

4. **Volume Projections, Capacity, Requirements, and Release Authorization.**

- a. Seller must have a tooling and production plan in place that will enable Seller to timely supply FCA's peak daily, weekly and annual requirements for the goods (including service parts for such goods and goods and service parts to support Recalls (as defined below)) as set forth in a Purchase Order or otherwise communicated to Seller by FCA and Seller shall supply such capacity of goods as required and requested by FCA from time to time. Without limiting the foregoing and any other rights FCA has under the Contract, Seller shall supply goods and components thereof as requested by FCA from time to time in connection with Recalls at the price(s) set forth in the last Purchase Order for such goods (for components, the price will be the applicable pro rata portion of such good) and will ensure it has tooling and production capability to so provide such goods and components. A Purchase Order may cover goods that are manufactured by Seller using the same manufacturing process and tooling that Seller uses to manufacture other goods for FCA not covered by the Purchase Order ("**Common Process Group goods**"). If a Purchase Order includes a Common Process Group good, Seller's total capacity for all goods within the same Common Process Group and Seller's capacity for the goods under that Purchase Order will each be entered into the FCA capacity databases and systems ("**Capacity Database**") by Seller prior to production. If FCA's peak requirements (as increased from time to time) ever exceed Seller's capacity stated in the Purchase Order or in the Capacity Database, FCA and Seller will, upon request of FCA, meet promptly, consistent with FCA's capacity management Policies (including FCA's volume variance system and Capacity Database) to discuss what, if any, additional capital investments are reasonably required by Seller to meet such peak requirements. Unless directed otherwise by FCA, after such meeting Seller will submit a proposal for a price adjustment or new tooling purchase order (if the latter is approved by FCA) as a result of the need for such capital investments in writing within five (5) days following such meeting. FCA will have the right to verify all claims regarding the need for such capital investment and the sole discretion to determine whether to accept such proposal or to source from a third party (in such event FCA reserves the right to source all capacity for such good from a third party without cost or penalty of any kind). If FCA approves such payment for new capital investment, then Seller shall be obligated to timely make such capital investments and meet FCA's peak requirements and such capital shall be deemed Buyer's Property.
- b. FCA may cancel or reschedule any release of goods at any time upon notice to Seller. Notwithstanding any change by FCA in quantity of goods forecasted, released or ordered, in no event will FCA be responsible or liable for any quantity of goods above the raw and fab limits set forth in a Purchase Order or Source Package for that good at the end of production of that good or termination of the applicable Purchase Order by FCA (the foregoing is subject to change as set forth in a Policy).
- c. If FCA believes that Seller's future ability to timely provide goods could be impacted, whether as a result of a force majeure event, supply issues, labor issues, or otherwise, FCA shall have the right, upon notice to

Seller, to require Seller to have on hand in the country in which FCA takes delivery of a good, a certain quantity of finished goods, as specified by FCA, for safety stock.

- d. Seller must submit accurate information requested by FCA from time to time into the Capacity Database and comply with FCA's instructions and manuals provided to Seller from time to time and the Policies. Such information shall include current and potential capacity, work pattern, overtime, and parts capabilities regarding goods (including Common Process Group goods) and must consider not only Seller's capacity limits but any constraints on or limitations of Seller's suppliers; Seller is responsible for monitoring its suppliers' capacity constraints and limitations, regardless of whether such supplier is a Directed Component Supplier (as defined in Section 33). Seller is fully responsible for its Seller Suppliers (as defined below), including any capacity shortfalls. FCA may withhold payments under a Purchase Order until Seller submits all required information into the Capacity Database. FCA shall have the right to rely on information Seller submits into the Capacity Database in planning FCA's production schedule.
- e. Without limiting the Global GTCs (see Section 29 thereof), Seller shall provide the quantity of goods to FCA in accordance with FCA's Policies, written releases, processes, and instructions, as adjusted from time to time by FCA. FCA is not obligated to order any goods or services contemplated by a Purchase Order or any particular quantity of goods or services.

5. **Inspection and Rejections; Quality.**

- a. Seller shall comply with, and shall cause its permitted subcontractors contractors, suppliers (directed or otherwise), sub-suppliers, agents, and Affiliates (collectively, "**Seller Suppliers**"), to comply in all respects with FCA's most current Specifications, the requirements set forth in FCA's supplier quality manual (or other applicable supplier quality documentation), all applicable supplier quality and development process requirements, quality control and safety standards, procedures and inspection systems, and applicable Laws. "**Specifications**" means the most current version of all applicable specifications and requirements either: (a) provided by FCA, including other documents or requirements specifically incorporated or referenced in these Terms and Conditions, Purchase Orders, Source Packages, bills of materials, statements of work, project schedules, drawings, and CAD data; or (b) any samples, drawing, CAD data, spec sheets, or other descriptions or specifications or representations provided by Seller that are approved of by FCA or relied upon by FCA. Seller shall comply with all requirements of the industry-standard Production Part Approval Processes ("**PPAP**") for all goods as implemented by FCA.
- b. Each Purchase Order is issued for the goods specifically identified in the Purchase Order, and any substitution of goods or material used to make or provide the goods (including those in a single delivery), without FCA's prior written approval by an authorized FCA representative ("**Approve**" or "**Approval**"), will be a material breach of the Purchase Order. Seller will provide and maintain a quality management system that complies with the highest industry standards and all FCA requirements provided to Seller or set forth in a Policy. Prior to and as a condition to FCA's acceptance of any goods, FCA may, in its sole discretion, inspect, evaluate, and test all goods (including all Tooling (as defined below), fixtures, hardware, equipment, and materials used directly or indirectly in making the goods) at times and places designated by FCA, to ensure such goods meet all FCA specifications and requirements. In addition, FCA may inspect, upon reasonable notice to Seller, any site or location in which the goods are made or originate, including any sites or locations of any Seller Suppliers. No such inspection, evaluation or test shall relieve Seller of its obligation and duty to provide conforming goods and otherwise comply with the Contract, nor shall the same be deemed acceptance or approval by FCA. Notwithstanding inspection, evaluation, testing, or payment of goods, FCA may reject, revoke acceptance, require correction, hold for Seller's pickup (if not picked up within fourteen (14) days, FCA may dispose of or destroy such goods) and/or return any goods (at Seller's expense and risk of loss) that do not fully conform to the Specifications, ordered quantities, or other requirements in all respects, as determined by FCA in its sole discretion. Furthermore, without limiting its rights and remedies,

FCA shall have the right to (a) replace or correct any non-conforming goods and charge or debit Seller the cost of and expenses incurred in connection with such replacement or correction, including Special Damages, (b) cancel the Purchase Order for default under Section 18, (c) commence arbitration or other legal action to recover damages suffered by FCA in accordance with Section 23, and/or (d) remove Seller as an approved FCA supplier. Seller hereby waives the application of Michigan Compiled Laws (“MCL”) § 440.2607 (and its equivalent based on UCC 2-607) with respect to any Purchase Order; if a court rules that § 440.2607 is not waivable, the Parties agree that a “reasonable time” as contemplated by subsection 3(a) of such law shall be the longer of one year or such longer period as determined by such court. Seller will comply with all Policies and all procedures, requirements, and documents in the Supplier Portal with respect or related to quality.

- C. Seller will comply with all Third-Party Containment and Problem Resolution (“3CPR”) program policies and project requirements of FCA including those set forth in FCA’s 3CPR Web Based System, as updated from time to time. Within twenty-four (24) hours of initiation by FCA of a 3CPR project on suspect materials of any good, Seller will hire the 3CPR provider identified by FCA for the purpose of undertaking the required 3CPR project at each affected facility. Seller is required to provide a fully funded (minimum \$5,000 (USD or CAD) for projects in the U.S. or Canada and \$2,000 USD for projects in Mexico) hard copy purchase order within twenty-four (24) hours of the creation of the 3CPR project. Seller will bear all of the costs and expenses of the 3CPR project. However, if Seller disputes the charges, FCA will, in its reasonable discretion, examine the extent to which 3CPR costs should be borne by FCA and Seller, respectively, based on an allocation of responsibility to Seller for such suspect materials. Upon completion of that analysis, FCA will inform Seller of any revised allocation of such expense. Such revision (if any) will be final and reflected in Seller’s next invoice to FCA as a debit or credit and shall be final.

6. Labor Disputes. Seller will notify FCA immediately of any actual or potential labor dispute affecting Seller or any Seller Supplier that will or potentially could delay or threaten to delay timely performance of a Purchase Order; such notice to FCA must be in writing and include all relevant information and documents. Seller will notify FCA in writing three (3) months prior to the expiration of any labor contract to which Seller or any Seller Supplier is a party, bound, or otherwise impacted. Seller will ensure that union representation is disclosed and updated in the Supplier Portal. Seller will notify FCA of any change in union related status, such as contract ratification or extension, within twenty-four (24) hours of occurrence (or such other time as may be commercially practicable). Without limiting FCA’s rights under Section 4.c, Seller must submit a written contingency plan to FCA Purchasing two (2) weeks prior to such labor contract expiration, strike, or other work stoppage detailing how Seller plans to continue production in the event of a labor disruption or dispute which plan is subject to FCA’s Approval, which Approval may require Seller to build up a supply of parts. Any and all costs, expenses, or damages incurred by Seller or FCA, including any part shortages or downtime (CLS or CLD) suffered by FCA, from this plan or any labor dispute or issue will be paid in full by Seller as incurred. The supply of goods described in this Section 6 will be subject to FCA’s audit rights under Section 26. Labor disputes or issues shall in no event be deemed or give rise to an excusable delay or nonperformance.

7. General Warranty.

- a. Seller represents, warrants and covenants, now and throughout the duration of the Contract and any survival periods, that:
 - i. all goods and Tools will strictly comply with, conform to, and operate in accordance with: all performance, quality, and safety standards and characteristics furnished and/or specified by FCA, including Specifications, drawings, PPAP submissions, descriptions, samples, change notices, and all requirements included in the applicable Source Package;
 - ii. the goods and all Tools will be merchantable and fit and safe for the particular purpose(s) and use(s) specified or contemplated by FCA; Seller acknowledges that it knows of and understands FCA’s purpose and use for each good;

- iii. all goods and all Tools will be provided in an efficient and cost effective manner, using qualified personnel with suitable training, experience, and education;
- iv. FCA will receive good title upon Delivery of goods, Tooling, fixtures, work product, and equipment under each Purchase Order, free and clear of all liens, charges, claims, and encumbrances; no other person or entity has any right, title, or interest therein or thereto;
- v. in addition to Article 20 of the Global GTCs, none of the Tooling, fixtures, work product, or equipment, either on its own or in combination with any reasonably foreseeable goods, services, and/or software, nor any portion thereof, nor any use of any of the same for its intended purpose or making, having made, selling, offering to sell, importing, or using the same for manufacturing or selling vehicles, will (a) infringe upon, misappropriate, or violate any patents, trademarks, copyrights, or other intellectual property right of any person or entity or (b) violate any Laws;
- vi. Seller is in compliance with and will continue to comply with all Laws and all Policies;
- vii. All goods, Tooling, fixtures, work product, and equipment shall conform to all industry standards and Laws in force in countries to which the goods are exported and/or sold;
- viii. Seller's price for each good is competitive;
- ix. FCA's possession, use, and sale of the goods and the Tools will not violate any Laws;
- x. Seller has the full right and authority to enter into each Purchase Order, to provide the goods, to perform all of its obligations under each Purchase Order, and to grant all of the rights granted in the Contract;
- xi. Seller, all Seller Affiliates, and all Seller Suppliers shall conduct themselves at all times, whether or not in connection with a Purchase Order, in a manner that is not prejudicial or harmful to FCA's interests, products, services, image, goodwill, or reputation (as interpreted by FCA);
- xii. the execution and performance of the Contract and each Purchase Order does not violate the terms of any existing agreement to which Seller is a party or is otherwise bound;
- xiii. Seller has obtained, or will obtain, any and all required approvals by any government or governmental agency with respect to the supply, manufacturer, sale, or resale of any good;
- xiv. the goods, Tooling, fixtures, work product, and equipment will be free from defects in design, material, and workmanship and be of the highest quality; FCA will rely on Seller's expertise in the design of the goods; goods, Tooling, fixtures, work product, and equipment will be free from any and all design defects and fit and sufficient for the purposes intended by FCA;
- xv. the goods, Tooling, fixtures, work product, and equipment shall be free of all malware, viruses and all other malicious code, disabling code, or code that causes either the good or any product into which the good is incorporated to perform in an unintended manner;
- xvi. the goods, Tooling, fixtures, work product, and equipment shall not cause any portion of any FCA product or any software owned or licensed by FCA, or any derivative thereof to (A) become subject to all or part of the license obligations or other intellectual property rights or restrictions of any third party, including any open source software requirements; or (B) be disclosed or distributed in source code form, licensed to third parties for the purpose of making derivatives or such software, or redistributed free or charge;
- xvii. all information, documents, and data provided by, through, or on behalf of Seller, and the same provided by Seller Suppliers, shall be true and correct and not omit information, documents, or data to make the provided information, documents, or data in any way misleading
- xix. Seller has implemented systems and procedures to identify and retain defective goods.

The warranty term for the foregoing warranties will be the longer of (A) two (2) years from the delivery of the last good under a Purchase Order, (B) the longest warranty extended to FCA's end user customers by FCA on the date of the Purchase Order for the applicable good, (C) the period set forth in the Source Package (including the quality and durability

specifications), (D) any other period agreed upon by FCA and Seller in a Purchase Order or other document, (E) the period set forth in any Warranty Policies (as defined below), or (F) the period of any Recall or similar period. Without limiting the foregoing, the statute of limitations for any warranty claim will begin to run only upon the date that FCA has actual knowledge (“**Knowledge Date**”) of the specific issue and result thereof giving rise to the warranty claim. Notwithstanding any Law, the period in which FCA may bring a warranty claim will be the longer of any period provided by applicable Law and eight (8) years from the Knowledge Date.

- b. Without limiting FCA’s other rights and remedies, including without limitation indemnification rights, Seller’s liability for FCA’s expense of reimbursing warranty claims made by FCA’s dealers due to Seller’s breach of or failure to fully comply with the Contract, including Section 7.a, or any warranties or duties implied by Law or otherwise made by Seller shall be determined in accordance with FCA’s warranty policies and procedures, or any successor program or policies, as published on the Supplier Portal on the date of a Purchase Order or on the date of any amendment to the Purchase Order (“**Warranty Policies**”), but only if a good is covered by such Warranty Policies as determined by FCA. Seller waives MCL § 440.2607 (and its equivalent based on UCC 2-607) and MCL § 440.2717 (and its equivalent based on UCC 2-717).
 - c. The warranties in this Section 7 are in addition to any warranties implied by Law, in equity, or otherwise made by Seller and will survive delivery, acceptance, and payment by FCA. Furthermore, the representations, warranties and covenants in the General Terms and Conditions and in a Purchase Order apply to goods even if supplied by Seller Suppliers.
 - d. Seller is responsible for all costs and expenses (including Liabilities (as defined herein)), direct and indirect, suffered or incurred by FCA and/or its dealers as a result of any breach of or failure to fully comply with any representation, warranty, or covenant in the Contract.
 - e. If Seller discovers or becomes aware that any good or design of a good (i) has impacted, or will or is likely to impact, the performance or safety of such good or the vehicle in which such good is installed or otherwise used or (ii) has become, or is likely to become, dangerous or harmful to persons or property, Seller shall in each case notify FCA in writing within twenty-four (24) hours of such discovery or awareness. Promptly thereafter, Seller will develop, document and implement corrective actions in accordance with all applicable quality control policies and standards of FCA, including by: (a) promptly investigating and reporting on the root cause of the problem; (b) remedying the cause of the problem and resuming performance in accordance with the Contract; (c) implementing and notifying FCA of measures taken by Seller to prevent recurrences if the problem is otherwise likely to recur; and (d) making written recommendations to FCA for improvements in procedures.
8. **Prices.** If any of Seller’s direct or indirect costs to provide a good decrease, Seller shall immediately pass such costs savings on to FCA. Seller will charge FCA no more than the lowest price that Seller charges any other person or entity for the same or similar good. If Seller reduces its price of a good for any other person or entity, Seller must pass on a similar savings to FCA. Seller may not charge a third party more than the price paid by FCA for a good if such third party is selling such good to FCA, incorporating such good into an assembly to be sold or provided by FCA, or otherwise selling such good to an FCA dealer or reseller.

9. **Property and Tooling.**

a. **Property and Tooling.**

- i. Tangible property of every description, including all tools, equipment, material, drawings, manufacturing aides, dies, test and assembly fixtures, jigs, gauges, patterns, casting patterns, cavities, molds, documentation, engineering specifications, PPAP submissions and information, and test reports, in each case together with any accessions, attachments, parts, accessories, substitutions, replacements, and appurtenances thereto, that is used in or necessary for the manufacture of goods for FCA shall be referred to as “**Tooling**”.

- ii. To ensure that FCA can make full beneficial use of the rights granted in Article 19 of the Global GTCs, Seller will provide the following to FCA (all of which shall also be deemed included in the license to FCA as granted in these General Terms and Conditions): all Tooling for all goods, including any computer-aided design data for any of the foregoing, and in each case, the specifications, bills of material, supplier information for any purchased components used in any Tooling, and manufacturing process information regarding such Tooling.
- iii. FCA shall be a third party beneficiary of any agreement between Seller and a person or entity other than FCA for the provision or production of goods (including Directed Component Suppliers (as defined below)) or Buyer's Property, and FCA will have ownership of, and access to, Buyer's Property held by any such person or entity. Seller hereby asserts the representations, warranties, and covenants made in Section 7 for "goods" for all Buyer's Property beginning on the first production of a Buyer's Property and ending twenty-four (24) months past the later of the last use of such Buyer's Property by Seller or the last payment made by FCA for such Buyer's Property.
- iv. Seller will only move or transfer Buyer's Property if, and as, FCA may direct from time to time. If Seller transfers or re-locates any Buyer's Property without FCA's Approval, Seller will reimburse FCA for all costs and expenses incurred by FCA in returning the Buyer's Property to FCA or moving the Buyer's Property as directed by FCA. If FCA determines in good faith that Seller has made any use of Buyer's Property inconsistent with the General Terms and Conditions, a Purchase Order, or FCA's interest in such Buyer's Property, then (A) FCA will have a lien on any proceeds obtained by Seller as a result of such inconsistent use, (B) FCA will be entitled to have a constructive trust imposed on such proceeds, and Seller will disgorge such proceeds upon receipt of written notice from FCA, and (C) all direct and indirect damages incurred by FCA, including lost profits, as a result of such inconsistent use will be owed to FCA by Seller under Section 13 and will entitle FCA to the rights and remedies set forth in such Section 13 and as otherwise provided in the Contract or pursuant to applicable Law, including deduction, set-off, and recoupment. Seller will maintain internal control policies sufficient to prevent any such inconsistent use of Buyer's Property by Seller, any of Seller's employees, or any Seller Suppliers. At the time of the return of any Buyer's Property, Seller shall provide FCA with all documentation (e.g., plans, designs, instructions of use, specifications) necessary or useful for the proper development, manufacture, and use of such Buyer's Property.
- v. Seller shall use its best efforts to minimize costs of Buyer's Property. If the actual cost incurred by Seller for the development and manufacture of Buyer's Property is less than the price paid, or to be paid, by FCA, Seller shall promptly notify FCA and the price will automatically be reduced to such actual cost. Seller shall establish an accounting system that readily enables the identification of Seller's costs of Buyer's Property and will preserve all records for a period of not less than five (5) years after FCA's final payment to Seller for the Buyer's Property. FCA or its agents shall have the right to audit and examine all books, records, facilities, work, material, inventories and other items relating, directly or indirectly, to the development, manufacture, use, and maintenance of Buyer's Property. If any Tooling that is Buyer's Property does not fully comply with these General Terms and Conditions or otherwise does not meet FCA's quality standards, FCA shall not be obligated to pay for such Tooling and all amounts paid by FCA, whether in lump sum or through the piece price, shall be promptly refunded to FCA by Seller. FCA does not promise or guarantee that the piece price actually received by Seller for Buyer's Property, based on the actual volume of a good, is enough to cover the full price of such Buyer's Tooling, nor will FCA be responsible for such failure to cover the Buyer's Tooling price or investment.

- vi. For any Tooling that is not Buyer's Property, Seller hereby grants to FCA the right to purchase such Tooling if Seller is not using such Tooling to make other products at Seller's cost to manufacturer such Tooling, less all amounts received by Seller in connection with such Tooling (e.g., piece price recovery (if not readily available, to be estimated by FCA)).
- vii. Seller will submit all required information regarding Buyer's Property through the FCA "Tooling Process" system or its successor system, and will comply with all other requirements, Policies, and procedures of FCA regarding Tooling, including without limitation, use of the FCA "Tool Record Form" or its successor. Seller will inform FCA of any damage or theft of any Buyer's Property.
- viii. Seller will adhere to the FCA procedures and Policies in effect at the time for submitting requests for reimbursement for Buyer's Property costs agreed in writing to be paid by FCA, including but not limited to the use of the FCA "Tool Record Form" or its successor. All requests for reimbursement for Tooling costs are subject to review, Approval, and audit by FCA.

b. Bailed Property.

i. Property of every description provided to Seller by FCA in connection with this Contract and Buyer's Property and any sub-components, raw materials, and racks related thereto (collectively, the "**Bailed Property**"), is, and will at all times remain, the sole and exclusive property of, and is being held by Seller as a bailee at will for, FCA.

ii. Seller will take possession of the Bailed Property and keep such Bailed Property in its possession or control free from any loss or damage, safely stored apart from Seller's property and tagged as owned by FCA, with such detail and in such manner as FCA may specify from time to time. Seller will not modify or alter any Bailed Property without FCA's Approval.

iii. Title to all such Bailed Property remains in FCA, and the Bailed Property will be subject to the direction and control of FCA. Seller has no rights or interest in any Bailed Property except to use such Bailed Property as directed by FCA, and Seller shall not grant any rights or interest therein to any person or entity, including but not limited to an Affiliate of Seller or a third party. The Bailed Property will only be used for the benefit of FCA. Seller will not permit any act to be done to the Bailed Property that is not necessary for the performance of a Purchase Order.

iv. FCA has the right at any time to enter Seller's facilities to review and inspect the Bailed Property. Seller has no right to retain possession of any Bailed Property after receipt of a written demand by FCA, which may be given to Seller by FCA at any time, for return of the Bailed Property (at Seller's cost). If requested by FCA in writing, Seller shall permanently destroy FCA designated Bailed Property.

v. If a Purchase Order is terminated for any reason or upon the request of FCA, Seller will immediately return the associated or requested Bailed Property as, when and where directed by FCA, and FCA will have the right to enter upon Seller's premises and remove all of the Bailed Property without recourse to any legal proceeding.

vi. Seller will notify all of its secured and judgment creditors that it is in possession of FCA's Bailed Property, in a form, manner, and at times reasonably acceptable to FCA. To the fullest extent permitted by law, Seller will not allow any liens (consensual or otherwise), security interests, encumbrances, or claims of any nature to be imposed on the Bailed Property through Seller, Seller Suppliers, or as a result of any of their respective actions or possession of the Bailed Property. If a lien, security interest, encumbrance, or claim of any nature is imposed on the Bailed Property through Seller, a Seller Supplier, or as a result of Seller's or any Seller Supplier's actions or possession, Seller will immediately take all actions necessary to remove such lien, security interest, encumbrance, or claim.

vii. Seller will follow FCA's instructions regarding the Bailed Property, including incorporating Bailed Property in processed goods and shipping processed goods as FCA may direct.

viii. Seller will provide FCA with reports periodically or as FCA may, in its sole discretion, otherwise direct regarding the amount and status of the Bailed Property in Seller's possession or control.

10. Insurance; Indemnification.

a. [Insurance](#). Seller will obtain and continuously maintain in force during the Term (i) statutory worker's compensation insurance, (ii) employer's liability insurance, (iii) commercial general liability insurance, including contractual liability and products and completed operations liability, (iv) automobile liability insurance, including owned, hired, and non-owned liability, (v) crime insurance, including employee theft, and (vi) all-risk property insurance covering Seller's property, including Tooling, and all FCA property, raw materials, and finished products (including those in transit), including Bailed Property and Buyer's Property, while in Seller's possession, care, custody, or control, all in amounts and coverages sufficient to cover all claims and all replacements thereof. Unless FCA instructs otherwise in writing, coverage for specific above-referenced categories of insurance will be not less than the following: adequate to comply with all statutory, governmental and local requirements covering all persons employed by Seller for statutory worker's compensation; \$1,000,000 in employer's liability insurance; \$5,000,000 in commercial general liability insurance per occurrence; and \$5,000,000 in automobile liability insurance. Such policies will name FCA as an additional insured (other than worker's compensation); be primary and not excess over or contributory with any other valid, applicable, and collectible insurance in force for or maintained by FCA; and provide that the insurer will give FCA thirty (30) days prior written notice of cancellation or material change in coverage. Seller waives, and Seller will cause its insurers to waive, any right of subrogation or other recovery against FCA or its Affiliates, including their respective employees, officers, directors, agents, suppliers, or representatives. FCA may require Seller to furnish evidence of the foregoing insurance, but FCA's failure to request evidence of insurance will in no event relieve Seller of its obligation under this Section 10. Seller will be financially responsible for any of Seller's premiums, deductibles, retentions, self-insurance, co-insurance, uninsured amounts, or any amounts in excess of policy limits. Seller may satisfy the insurance requirements under this Section 10 through a combination of self-insurance and catastrophic excess insurance.

b. [Indemnification](#). Seller will indemnify and hold FCA and its Affiliates, and their respective customers, suppliers, dealers, distributors, employees, officers, directors, agents and representatives (each, an "**Indemnified Party**") harmless from and against all third-party and direct Indemnified Party allegations, claims, suits, demands, actions, or proceedings, and judgements, awards, or settlements related thereto, based on any and all legal theories, including product liability, personal injury, warranty/consumer, class action, property damage, antitrust, and any other type of claim (collectively, "**Claims**"); and pay all (i) liabilities, losses, fines, and damages of every kind and nature (including reliance, cover, exemplary, consequential, indirect, incidental, punitive, and special damages, lost profits, lost revenue and fees, lost business, lost opportunity, loss of use, costs associated with business interruption, and costs associated with finding and using an alternative supplier (collectively, "**Special Damages**")), (ii) fees and expenses (including fees and expenses of counsel and experts), and (iii) other direct and indirect costs, fines, and expenses, including those arising out of, related to, or connected with (A) any delays, plant shutdown, slowdown, or delays, (B) vehicle recall, campaign, technical service bulletin, warranty extensions, rapid response transmittal, customer satisfaction notification or campaigns, field actions, or similar items or actions taken to address a specified good, product, or vehicle, regulatory compliance, or safety issue (or alleged issue) (collectively, "**Recalls**"), or (C) actions similar to those in subsection (A) or (B) taken by or for the benefit of an Indemnified Party (subsections (i), (ii), and (iii), collectively, "**Liabilities**" or "**Liability**"), incurred as a result of, arising out of, related to, or connected with, directly or indirectly, any actual or alleged (1) failure of Seller or its Affiliates, or their respective officers, directors, employees, Seller Suppliers, agents, affiliates, or successors (collectively, with Seller, the "**Seller Parties**" or individually, a "**Seller Party**") to fully, timely, and accurately perform, or breach of, the Contract, the General Terms and Conditions, or a Purchase Order or a delivery under a Purchase Order (including breach or nonperformance of any obligation relating to confidentiality, data privacy or data security); (2) infringement (including contributory infringement and inducement to infringe), misappropriation, or violation of any patent, copyright, trademark, service mark, trade secret, or other personal or proprietary right of a third party anywhere in the world in connection with: a Seller Party's performance or failure to perform under the Contract, the General Terms and Conditions, or a Purchase Order, the goods (on a stand-alone basis or as incorporated into or used with other parts or a vehicle), work product, use of any goods or work product for its intended purpose, making, having made, selling, offering to sell, importing, or using any good using any work product, or any rights granted to FCA by any Seller Party (collectively, "**Infringement**"); (3) violation of any Law (including Laws regarding data privacy or security) (i) by any Seller Party or (ii) by any

Indemnified Party, to the extent that such Indemnified Party would not have violated a Law but for (A) a Seller Party's negligence, willful misconduct, breach of or failure to fully perform obligations under the Contract, or (B) the supply or use of any good; (4) injury or death of any person, damage or loss of any property or economic damage allegedly or actually resulting from or arising out of any act, omission, or negligent work, act, or omission of any Seller Party; (5) manufacturing, design, material, or other defects of any type or kind, or any non-conforming good; (6) any Seller Party's negligence, or wrongful or intentional acts or omissions; (7) the wrongful disclosure by any Seller Party of any Confidential Information or information obtained from FCA's computer network or systems, (8) any actual or alleged claim or liability arising from any contract between a Seller Party and any third party; (9) involuntary or voluntary vehicle quality or safety campaigns arising out of or resulting from any good or services provided by any Seller Party; (10) any failure to comply with any Environmental, Health and Safety Requirements; (11) any Buyer's Property, any claim to ownership of any Buyer's Property, or any claim, lien, security interest, or encumbrance on any Buyer's Property; (12) any product liability or Recalls directly or indirectly resulting from or related to any good; (13) performance of work or other activities by an Seller Party on any Indemnified Party's premises; (14) claim based on unfair competition by reason of FCA's use or sale of any good; or (15) software provided by, through, or on behalf of any Seller Party, or used by any Seller Party in providing goods or services (collectively, "**Software**") including Software that (i) manifests a safety-related defect or creates or introduces an unreasonable safety risk to one or more motor vehicle systems, (ii) contains or creates any design or manufacturing defect, (iii) contains or creates any security or safety vulnerability, (iv) is designed by Seller or Seller's expertise was used in its design, or (v) fails to meet engineering standards, performance standards, product characteristics, or specifications furnished and/or specified by or on behalf of FCA. Seller's obligations under this Section 10 shall apply even if the Indemnified Party has contributed to the Liabilities or is negligent and regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability, product liability, or otherwise. The indemnification obligations in this Section apply whether or not there is a third party claim, such that FCA has the right to make direct indemnification claims against Seller.

C. [Notwithstanding the foregoing](#), if a Purchase Order or Source Package contains or references one or more ADPs (as defined below), then Seller's indemnification obligation for Claims and resulting Liabilities arising out of such Purchase Order or Source Package for only those categories of Liabilities addressed in such ADP will be, at a minimum, determined based on the responsibility percentages assigned to Seller and FCA in such ADP for such categories. "**ADP**" means an Authority Definition Plan or similar document within a Source Package or otherwise incorporated into a Purchase Order or other agreement to purchase goods and services that sets forth the minimum allocation of responsibility for certain Liabilities related to the goods covered under a Purchase Order or Source Package, as the same may be amended from time to time by FCA. If FCA determines, based on FCA's root cause analysis, that Seller has Liability under Section 10.b, then Seller shall pay FCA, upon thirty (30) days' notice, the minimum percentage of responsibility of such Liability allocated as set forth in the ADP. If FCA determines that Seller's contribution to or responsibility for any Liability exceeds the minimum responsibility percentage set forth in the ADP,

Seller's responsibility percentage shall be increased by FCA up to 100% of the Liability and Seller shall pay such increased amount to FCA within thirty (30) days of receipt of notice from FCA. Seller expressly waives any claim or defense based on or related to the fact that FCA provided the specifications for any good, Tooling, or work product. Seller expressly waives any claims and all defenses that any Claim arose out of Seller's compliance with specifications or directions from FCA, its dealer, or any subcontractor or supplier to FCA or its dealers.

d. [No notice is required to be given by an Indemnified Party](#) to any Seller Party. If an Indemnified Party is the subject of a third party claim for which it will seek indemnification from any Seller Party under this Section 10, it may either defend such claim or tender the defense to the applicable Seller Party(ies). If the Indemnified Party tenders the defense of any third party claim to any Seller Party(ies), then (i) such Seller Party shall promptly and diligently defend such claim on behalf of the Indemnified Party(ies), (ii) such Indemnified Party shall have the right to consent to the selection of legal counsel in its sole discretion, and (iii) no Seller Party will enter into any settlement, defense discharge, admission of liability, or compromise of any claim or litigation without obtaining Approval, which the Indemnified Party can provide or withhold in its sole discretion. If the Indemnified Party elects to defend such third party claim, then (a) the Indemnified Party shall have the full right to independently control the defense and settlement of such matter, which actions shall not negatively impact the

Indemnified Party's right to indemnification and to be held harmless under this Section 10, (b) Seller Parties shall, at the request of the Indemnified Party, if any, fully and timely cooperate and assist the Indemnified Party in the defense of such third party claim and promptly provide any and all information or data requested by the Indemnified Party, all at Seller's cost and expense, and (c) Seller shall promptly reimburse the Indemnified Party during the Claim for Liabilities as and when they are incurred. In a matter where any Seller Party is defending such claim, Seller will allow the Indemnified Party to participate in such defense.

e. If the Claim does not involve a third party claim, Seller shall reimburse FCA for all Liabilities within thirty (30) days of FCA's request.

f. If Seller becomes aware of an actual, potential, suspected, or threatened breach, or action that would result in a breach, of the Contract, or that results or likely will result in an indemnification obligation under Section 10.b, Seller shall immediately notify FCA in writing of the same which notice shall contain all details and documents in Seller's possession or control.

g. The rights under this Section 10 are in addition to all other rights and remedies at law or in equity, including any claims for breach of a Purchase Order.

11. Changes.

a. FCA may, at any time, unilaterally make changes (including engineering changes per Section 11.b below) to any aspect of a Purchase Order and to the Term. As a result of such change, except for engineering changes which are addressed in Section 11.b below and for changes in the Term (Seller has no rights as a result of a change in the Term), Seller's only rights are to: (i) make a claim for a change in price for the goods under such Purchase Order based on the direct, net increased out-of-pocket costs actually incurred, or to be incurred, to implement such change, or (ii) make a claim that Seller is entitled to an extension of time for Seller to deliver goods under such Purchase Order, in each case as a direct result of such change by FCA. Under no circumstances will Seller be entitled to any other costs, internal or external, incurred or paid related to or resulting from such changes, including engineering, design, product development, software, tooling, or plant modification costs. Such claims must be asserted by Seller in detail with adequate supporting documentation in writing within ten (10) days from the date of receipt by Seller of FCA's notification of such change. FCA will have the right to consider, verify, and Approve all Seller price adjustment and timing delay claims by auditing relevant records, facilities, work, and materials of Seller. Unless FCA rescinds such change, Seller will immediately proceed with the Purchase Order as changed under this Section 11, even if the requested adjustments are not Approved by FCA. There will be no adjustments to a Purchase Order or amounts paid to Seller under a Purchase Order based on a change in the term of or any delivery schedule under a Purchase Order. Seller shall promptly make, in writing, any suggested changes to a Purchase Order or a good for FCA's consideration if such change will improve the good or reduce the cost or time to produce a good. Seller shall not make any change to any good or to any Purchase Order without FCA's Approval.

b. All engineering changes, whether initiated by FCA or by Seller if Approved, will be processed pursuant to FCA procedures in effect at the time of the change using the CN system. Within seven (7) days after FCA has provided Seller with a documented engineering solution change (currently referred to as an "alternative selection" in the CN system), including any applicable design requirements, Seller will provide FCA with (i) the reasonable price change to manufacturer such good (which must be based solely on Seller's actual, direct net increase in out-of-pocket costs for such solution change, as substantiated with appropriate documentation satisfactory to FCA) and (ii) the timing requirements, in each case to implement such solution change; provided, however, FCA may, in its reasonable discretion, extend such seven (7) day period. Under no circumstances will Seller be entitled to any other costs, internal or external, incurred or paid related to or resulting from such changes, including engineering, design, product development, tooling, or plant modification costs. If FCA and Seller agree to the price and timing changes (currently referred to as the completion of "SPIN" in the CN system), Seller shall have twenty-four (24) hours to input data into the CN system reflecting the agreed upon solution changes for FCA's Approval. Upon FCA's Approval or earlier direction from FCA, such solution changes will be promptly implemented by Seller as directed by FCA even if the parties disagree on the price change or any other aspect of the engineering change.

12. Parts; Service.

a. Neither Seller nor any Seller Supplier may sell any obsolete or surplus goods or subcomponents thereof, covered in a Purchase Order to third parties without FCA's Approval.

b. Upon the request of FCA, Seller will provide a list of all parts for each good ("Parts"), identify the Seller Suppliers of each Part and the price paid by Seller for such Part, and make Part and service literature and other materials available to FCA at no additional cost to support Part sales and service.

c. FCA has no minimum order quantities nor any obligation to change the lead times or other commercial terms as the vehicle model production period transitions to, or during, the period in which Seller is obligated to provide service parts under the Contract.

d. Seller will comply with FCA's customs requirements made available to Seller from time to time in the Supplier Portal or otherwise. Seller must register with FCA's third party service provider (currently HIVE portal database via www.hive.sttas.com, but subject to change). For any manual submission due to a possible system outage with such provider, Seller shall send documents to the STTAS FCA shared mailbox or other mailbox as determined by FCA from time to time (currently mophelp@sttas.com).

e. Seller will, at its expense, comply with all (i) FCA service requirements as documented on the Supplier Portal from time to time, and (ii) Policies and project requirements, including all FCA required advanced product quality planning (APQP) processes, policies, and procedures.

f. Third Party Part Buyer.

i. Other than as directed by FCA, Seller will sell the Parts to Third Party Part Buyers (as defined below) pursuant to the same terms (e.g., duration, price, lead time) that Seller sells such Parts to FCA. If FCA and Seller change the specifications, price, or terms of sale of a Part, good, or service to be supplied by Seller to FCA, such change(s) shall be immediately provided to all Third Party Part Buyers. If Seller charges a Third Party Part Supplier a price for a Part, good or service that is less than the price paid by FCA to Seller, or if Seller offers a Third Party Part Supplier terms that are more favorable than those offered to FCA, then Seller shall immediately pass on that lower price and more favorable terms to FCA.

ii. For Parts that Seller sells to a Third Party Part Buyer: (A) Seller must sell such Part to such Third Party Part Buyer at the same price Seller charges FCA, (B) Seller shall provide such Third Party Part Buyer with the same level of technical and sales support (e.g., testing) provided, or required to be provided, by Seller as if FCA had purchased such Part directly from Seller, (C) the General Terms and Conditions will apply to the contractual relationship between Seller and such Third Party Part Buyer (the Third Party Part Buyer shall take the role of FCA therein as applied), (D) FCA and such Third Party Part Buyer shall have the right to enforce the General Terms and Conditions against Seller, (E) FCA shall be (and shall be expressly included as) an intended third party beneficiary of the agreement(s) between Seller and such Third Party Part Buyer ("**Third Party Part Buyer Agreement**"), including the General Terms and Conditions (if there is a conflict between the Third Party Part Buyer Agreement and the General Terms and Conditions, the General Terms and Conditions shall control), (F) in addition to all other rights and remedies, FCA shall have the right (but not the duty), in its sole direction, to require that such Third Party Part Buyer assign all, or any portion of, the rights, claims, and remedies that such Third Party Part Buyer has against Seller to FCA or its designee (and if FCA exercises such assignment right, it shall notify such Third Party Part Buyer of the rights, claims, and/or remedies that it desires to be assigned, and the assignment shall be deemed effective upon FCA's delivery of such notice), (G) such Third Party Part Buyer shall have the right to impose upon Seller any condition, term, penalty, or result that FCA imposes on such Third Party Part Buyer to the extent the same was caused by or the fault of Seller or the result of any acts or omissions of Seller (if there is any dispute between Seller and such Third Party Part Buyer, FCA reserves the right, but not the obligation, to resolve the dispute in FCA's discretion, which decision shall be final), and (H) Seller shall cooperate with FCA and such Third Party Part Buyer with respect to, and participate in, as requested by FCA from time to time, the resolution of any dispute or issue. FCA's exercise of its rights under this clause shall not affect or abrogate any rights, responsibilities, or liabilities under (1) the Purchase Order between FCA and such Third Party Part Buyer or (2) Seller's responsibilities or liabilities under the General Terms and Conditions. The

Third Party Part Buyer shall only use Parts for FCA/Mopar and not for any other OEM or third party not designated by FCA. FCA's permission to sell Parts to Third Party Part Buyers and/or its imposition of requirements under this Section 12 may be withdrawn at any time by FCA at its discretion. The obligations imposed by this Section 12 shall survive the expiration or termination of the Purchase Order for the good or service of which the Part is a part.

iii. If Seller is directed by FCA to purchase any Part from an FCA designated manufacturer that is producing the same Part for FCA (a "**Manufacturer**"), Seller shall be deemed a "**Third Party Part Buyer**", and then (A) Seller shall have the right to purchase such Part from the Manufacturer pursuant to the same terms as FCA, (B) the General Terms and Conditions will apply to the contractual relationship between Seller and the Manufacturer, (C) FCA shall have the right to enforce the General Terms and Conditions against Seller and the Manufacturer, (D) FCA shall be (and shall be expressly included as) an intended third party beneficiary of the agreement between Seller and the Manufacturer, including the General Terms and Conditions (if there is a conflict between the agreement between Seller and such Manufacturer and the General Terms and Conditions, the General Terms and Conditions shall control), (E) in addition to all other rights and remedies, FCA shall have the right (but not the duty), in its sole direction, to require that Seller assign all, or any portion of, the rights, claims, and remedies that Seller has against Manufacturer to FCA or its designee (and if FCA exercises such assignment right, it shall notify Seller of the rights, claims and/or remedies which it desires to be assigned and the assignment shall be deemed effective upon FCA's delivery of such notice), and (F) Seller shall cooperate with FCA and Manufacturer with respect to and participate in, as requested by FCA from time to time, the resolution of any dispute or issue.

iv. In addition to the indemnification obligations set forth in Section 10, Seller will defend, indemnify and hold each of the Indemnified Parties harmless from and against all Claims and pay all Liabilities (including judgments, amounts paid in settlement and other recoveries) arising out of, related to, or in connection with (A) Seller's failure to fully and accurately perform or breach of the General Terms and Conditions or any Purchase Order, (B) claims by a Manufacturer against FCA relating to Seller's performance, breach or non-performance of any obligation to Manufacturer or FCA, (C) claims by a Third Party Part Buyer against FCA relating to Seller's performance, breach, or non-performance of any obligation to Third Party Part Buyer or FCA, or (D) injury or death of any person or damage to or loss of any property allegedly or actually resulting from or arising out of any act, omission, or negligence of, or any good or service from, Seller or its Seller Suppliers.

13. **Payment; FCA's Commitments; Claims Adjustment.**

a. Seller will promptly submit, pursuant to FCA specifications, requirements, and instructions, detailed, correct and complete invoices or other FCA specified billing communications with appropriate supporting documentation and other information requested or required by FCA (collectively, the "**Invoice**") after delivery of goods and performance of services specified in a Purchase Order and the acceptance thereof by FCA. Under no circumstances shall payment of any Invoice be deemed acceptance of any goods or services. Any Invoice containing any terms or conditions beyond those set forth in the Purchase Order shall be deemed null and void and rejected by FCA. Unless otherwise directed by FCA, all payments are to be made in U.S. dollars. The payment period set forth in a Purchase Order will not commence until FCA has received a proper and timely Invoice. Except as set forth on the front of a Purchase Order, payment is due ninety (90) days after FCA has received a proper and timely undisputed Invoice. FCA may withhold payment on any Invoice involving goods that do not strictly conform to the requirements of the Purchase Order. Seller shall not factor or otherwise sell or assign any amounts owed by FCA to Seller. Except as set forth in the Contract or any other agreement, all amounts due from Seller to FCA are due immediately.

b. FCA may at any time and without notice deduct from, set-off against, or recoup from Seller's claims for money due or to become due from FCA or its Affiliates, any claims (actual or alleged) that FCA, and FCA Affiliate, or any Indemnified Party has or may have against Seller or any Affiliate of Seller, including those arising out of the Contract, a Purchase Order, or any other transaction between FCA (or its Affiliate) and Seller (or its Affiliate) or amounts incurred by FCA or its Affiliates in enforcing its rights under the Contract, a Purchase Order, or any other agreement or based on any other event, whether or not Seller agrees that it owes such amount

to FCA or its Affiliate. In connection with exercising such right of deduction, set-off, or recoupment, and in connection with all other breaches under the Contract or a Purchase Order, Seller hereby waives advance or reasonable notice, including any notice required under MCL § 440.2607 (and its equivalent based on UCC 2-607) and MCL § 440.2717 (and its equivalent based on UCC 2-717). If FCA's actual or alleged claims (for breach, for deduction, set-off, or recoupment, or otherwise) are ultimately proven or determined to be wrong, false, or inaccurate, Seller's only recourse as a result of FCA's positions or actions, or such determination, is to require FCA to pay the original amounts due to Seller and FCA will not be liable for any damages as a result of the exercise of such deduction, set-off, recoupment, or other action.

C. Under no circumstances will Seller have the right to deduct from, set-off against, or recoup from any amount that Seller owes FCA or its Affiliates under the Contract, a Purchase Order or any other agreement or transaction between FCA (or its Affiliates) and Seller, any amount that FCA or any Affiliate owes Seller or any of its Affiliates.

d. FCA and each of its Affiliates (i) are entitled to issue Purchase Orders to Seller under the Contract, (ii) are entitled to fully enforce the Contract as if they were "FCA", (iii) are entitled to collect each amount owed from Seller to any of them, and (iv) may assign claims against Seller or its Affiliates between and among them.

14. Customs; Export Controls.

a. USMCA.

i. All goods and services supplied by North American-based Sellers to FCA shall satisfy the requirements to qualify the goods under the United States–Mexico–Canada Agreement ("USMCA") and the terms of this Section 14.a) ("USMCA Requirements"), unless FCA has specifically exempted Seller from this requirement in writing. Such exemptions will be made on an ad hoc and individual basis.

ii. Seller shall, on a consistent and ongoing basis, timely provide FCA with all information that FCA may require to demonstrate to U.S. Customs that the goods and services qualify for USMCA. Seller shall ensure it has sufficient resources to keep current with FCA's information requests related to active USMCA qualifications and future USMCA projections.

b. Seller will promptly notify FCA in writing of material or components used by Seller in filling a Purchase Order, which Seller purchases in a country other than the country in which the goods are delivered to FCA and any duty included in the purchase price of the goods. Seller will furnish FCA with any documentation and information necessary to (i) establish the country of origin and regional value content and (ii) comply with the destination country's rules of origin requirements, special trade programs, and content reporting.

C. The rights to and benefits of any duty drawback, including rights developed by substitution and rights which may be acquired from Seller's suppliers and export credits, to the extent transferable to FCA, are the property of FCA. Seller will provide all documentation and information and take any necessary steps to obtain refunds or to drawback any duty, taxes or fees paid, and to receive export credits from, the government of the country of origin or export country.

d. The responsibility for customs duty and customs brokers' fees will be determined in accordance with the delivery point and Incoterms stated in the applicable Purchase Order. If FCA is responsible for customs duties, it will be responsible for normal duties only. Seller will be responsible for any special duties, including marking, anti-dumping, and countervailing duties, except to the extent explicitly prohibited under the law of the country of importation. Seller must provide FCA with all necessary documents and information required by Law or otherwise necessary to determine admissibility, timely release, customs clearance and entry, and the proper minimum duty to be paid upon the importation of the goods into the destination country.

e. Seller will advise FCA if the importation of the goods requires an import license and will assist FCA in obtaining any such license.

f. Seller represents, warrants, and covenants that the information regarding the import or export of the goods supplied to FCA is, and will be at all times, true, complete, and correct, and that all sales covered by a Purchase Order will be made at not less than fair value under the anti-dumping laws of the countries to which the goods are exported.

g. Seller must comply with all pertinent requirements and recommendations of U.S. Customs and Border Protection's supply chain security programs, currently known as C-TPAT, and all local security programs recognized by U.S. Customs and C-TPAT. Seller must provide proof of participation by responding to the annual risk assessment survey initiated by FCA. Seller must seal international shipments with a high security seal that meets C-TPAT standards and the seal number must be included on Seller's Advance Shipment Notice.

h. Export Controls. Seller and FCA recognize that export control regulations may limit or prohibit the transfer of items or technology to foreign nationals, including foreign nationals within the United States. The goods, services, technology, and/or technical data (collectively "**Items**") delivered under a Purchase Order may be subject to U.S., foreign, and other applicable export control laws and regulations (collectively "**Export Control Laws**"), including the International Traffic in Arms Regulations, the Export Administration Regulations and/or Export Control List(s). Seller will comply with all U.S. and other countries' applicable Export Control Laws and shall not export, re-export, or transfer Items without first obtaining all required licenses and approvals. Any penalty, fine, expense (including attorneys' fees) or Liability incurred by FCA as a result of violation(s) of Laws or the General Terms and Conditions by Seller will be promptly reimbursed by Seller. Items that are identified during the course of a Purchase Order will be handled in the following manner:

- i. the sending party will notify the other party of the Item's export classification and license determination prior to any shipment or transmission;
- ii. the party receiving notice under (i) above shall have an opportunity to accept or reject the delivery of the Item prior to shipment or transfer by the sending party;
- iii. FCA and Seller will reasonably cooperate in obtaining required licensing and implementing required internal controls for the involved Items;
- iv. rejection of an Item will not constitute a breach of the Purchase Order; and
- v. FCA will assess the impact of the Item's rejection to determine if the Purchase Order can continue.

Any notice regarding export controls will be in writing and sent to the FCA Corporate Customs Department. Compliance with Export Control Laws includes: (i) abiding by U.S. sanctions, embargoes, and prohibitions on transactions with restricted parties, e.g., the prohibited transfer of any or all Items (including commodities, materials, software, and technology) subject to the applicable Purchase Order to U.S. sanctioned countries (e.g., Iran, Syria, North Korea, and Cuba); and (ii) understanding the end use of all transactions and not facilitating any prohibited nuclear, missile, or chemical biological weaponry end uses.

15. Use of FCA's Name. Seller will not, without the Approval of FCA, in any manner publish the fact that Seller has furnished or contracted to furnish FCA goods. Seller will mark goods supplied to FCA in accordance with FCA's published marking standards. During the term of the Contract and thereafter, Seller shall not make or publish any disparaging or derogatory statements with respect to FCA, its Affiliates, or its or their integrity, business or professional standing or reputation.

16. Data; Software; Security; and Privacy.

a. FCA Data.

i. "**FCA Data**" means: any and all information and data that FCA makes available, directly or indirectly, to Seller in connection with the Contract or the performance of a Purchase Order, including performance standards, product characteristics, specifications, drawings, descriptions, samples, designs, manufacturing data, and other information; any and all information and data resulting from, created by, or derived as a result of, directly or indirectly, any good or service provided by or on behalf of Seller; any and all information and data from, about, or derived from an FCA vehicle, customer, or driver; all Development Data (as defined below); any and all information and data (excluding Seller-provided data regarding its internal costs of producing goods that it provides to FCA under a Purchase Order) that is created, derived, resulting from, received, entered, or processed by or on behalf of Seller directly or indirectly in connection with the goods or Seller's obligations

under a Purchase Order; and in each case above, all derivatives thereof or improvements thereto made by or on behalf of FCA or by Seller or Seller Suppliers.

ii. In addition to the rights as set out in Article 19 of the Global GTCs, FCA owns and retains all right, title, and interest in and to all FCA Data, including any patents, patent applications, copyrights, trade secrets, trademarks, trade dress, and any other proprietary rights in any FCA Data. Without limiting the foregoing, Seller hereby assigns and transfers to FCA all right, title, and interest, including all copyrights and other intellectual property rights, in and to all FCA Data, and Seller agrees to execute any future assignments to evidence or effect such assignment. Unless expressly provided in a Purchase Order, no rights or license is granted under the Purchase Order to use FCA Data other than the right for Seller to use FCA Data as required to perform Seller's obligations under the Purchase Order. Seller will not use or disclose FCA Data for any other purpose. Seller will handle all FCA Data in such a manner to ensure that it is not disclosed or used for any purpose detrimental to the interests of FCA. Seller may not disclose FCA Data to any third party without FCA's Approval (FCA hereby approves disclosure to Seller Suppliers specified by Seller in the sourcing process) and then only if such third party executes an agreement satisfactory to FCA that includes, among other provisions, that FCA owns all FCA Data and commitments by such third party to maintain the strict confidence of such FCA Data, use FCA Data solely for the benefit of FCA, to return such FCA Data to FCA, and to destroy any copies or notes thereof as required of Seller under the General Terms and Conditions. If Seller makes any FCA Data available to any third party pursuant to an Approval, Seller will advise FCA and ensure that the third party, at the completion of the third party's services, no longer uses, transfers, or retains any FCA Data in any form. Seller shall be fully responsible and liable for the acts and omissions of such third party. No FCA Data may be (i) used to create statistical reports or de-identified databases for use by Seller or other third parties or (ii) transmitted to, or processed outside of, the country from which it is created or provided to Seller without obtaining Approval.

iii. "**Development Data**" means: All data and information produced or collected by any test or production vehicle with an FCA brand or otherwise provided by FCA to Seller ("**Vehicle**"); all data and information produced or collected by Seller from a Vehicle or Seller's physical or virtual test environment involving a Vehicle; all data and information comprising or pertaining to Seller's design, development, or testing of any Software developed for or for the benefit of FCA; and all data and information that is processed or computed from any data or other information otherwise within the definition of Development Data.

iv. Seller must deliver any FCA Data in its possession or control upon FCA's request at any time securely in accordance the requirements set forth in the Policies.

v. Seller will comply with all applicable privacy, data, information security, and use Policies of FCA regarding the collection, storage, and use of FCA Data as well as all Laws.

vi. Seller will immediately discontinue any use of FCA Data and/or items bearing designated FCA-owned trademarks or logos upon the earlier of FCA's request or at the expiration or termination of the applicable Purchase Order; Seller will then return to FCA any such item or, if directed by FCA, securely and permanently destroy any such item and present to FCA an affidavit of destruction executed by an authorized representative of Seller. Seller shall require any third party to whom FCA provided Approval to disclose to such third party, to do the same.

vii. Any rights that Seller may have to disclose, manufacture, use, or distribute goods developed under or related to a Purchase Order in each case are subject to Seller's obligations concerning FCA Data set forth in this Section 16.

b. Software.

i. **Software Monitoring.** During the Term Seller and its Seller Suppliers shall (A) proactively and continuously monitor all Software for defects, malfunctions, and security vulnerabilities; and (B) report any such defects, malfunctions, or security vulnerabilities to FCA within twenty-four (24) hours of the time Seller (or its Seller Suppliers) identifies such defect, malfunction, or security vulnerability.

ii. Delivery of Software. In addition to Seller's obligations above, Seller shall follow any additional or altered delivery instructions specified by FCA regarding Software, including: (A) delivery to an FCA location or (B) delivery to an FCA supplier location.

C. Privacy. Seller will not provide any of the following to FCA unless FCA Approves the specific provision of such Personal Data (as defined below): (i) any information or data that identifies, relates to, describes, is capable of being associated with, or could be reasonably linked, directly or indirectly, with a particular individual, household, or device, including name, contact information, VIN, IP address, device identifier, cookie identifier, advertising identifier, or MAC address, (ii) any characteristics, demographic details, and/or usage information associated with personal data, or (iii) any information defined as personal data, personal information, or an equivalent term under applicable privacy Laws (collectively, "**Personal Data**").

d. Data Protection. Subject to Section 16.c above, Seller acknowledges that in performing services associated with a Purchase Order, Seller may access, use, transfer, or otherwise Process (as defined below), and use Personal Data of customers, employees, agents, officers, contractors and other individuals of or provided by FCA. Seller and any other parties acting under Seller's authority, including Seller Suppliers, shall Process Personal Data only as directed by FCA, including complying with applicable FCA Policies and other FCA privacy and data protection requirements disclosed or provided to Seller or otherwise made available in the Supplier Portal. Except as necessary to perform its obligations under a Purchase Order, Seller will not use, transfer, provide access to, or otherwise Process any Personal Data received from or on behalf of FCA or in connection with a Purchase Order unless it has informed FCA in advance, obtained its Approval, and entered into such written agreement as may be required by FCA to ensure that the Personal Data is used and transferred in accordance with applicable Law, FCA's Policies, and privacy and data protection requirements.

e. Seller Personal Data Protection. Seller represents, warrants and covenants that it has in place and will maintain at all times administrative, organizational, and technical measures that (i) are necessary and appropriate to preserve the security, integrity, and confidentiality of any Personal Data that it may access or Process and to protect any such Personal Data against unauthorized or unlawful access, use, disclosure, and Processing, as well as accidental loss, destruction, or damage; and (ii) meet the requirements set forth in any Policy, and all FCA information security, data privacy, and data security requirements disclosed or provided to Seller or otherwise made through the Supplier Portal, as updated from time to time. Without limiting the foregoing, FCA shall have the right, from time to time, to (A) require Seller to promptly complete a security assessment and/or vendor risk assessment, (B) require Seller to provide evidence of an information security program that is sufficient to protect any data belonging to FCA as determined by FCA in its sole discretion, and (C) perform, or have a third party perform, security audits of Seller and its Seller Suppliers. Seller shall be fully responsible for monitoring and restricting the use of secure passwords, user identification numbers, and other security procedures and measures to fully protect Personal Data. Seller shall, upon request from FCA and within a reasonable time, correct and delete Personal Data and/or block Personal Data from further Processing and/or use. Seller will not Process any Personal Data in any jurisdiction other than the United States of America without the express written consent of FCA.

f. Security Breaches and Remediation. "**Security Breach**" means any known or suspected: (i) unauthorized and/or unlawful access to, acquisition of, or Processing of, FCA Data, Personal Data, or FCA Confidential Information, (ii) other loss or theft, or material compromise of FCA Data, Personal Data, or FCA Confidential Information that is Processed within Seller systems or otherwise Processed by or on behalf of Seller, (iii) security incident, or access to or use or compromise of Seller's security systems, operations and controls that could materially compromise the confidentiality, security, or integrity of FCA Data, Personal Data, or FCA Confidential Information, or (iv) access to, or use, disclosure, loss, or Processing of FCA Data, Personal Data, or FCA Confidential Information that is in any way inconsistent with applicable Law, FCA's Policies, FCA's privacy and data protection requirements, or a Purchase Order, whether between or among Seller, Seller's Affiliates, Seller Suppliers or any other person or entity acting on behalf of Seller, Seller's Affiliates or any Seller Supplier. "**Process**" or "**Processing**" means any operation or set of operations which is performed on Personal Data (as defined below), whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination, or otherwise making available, alignment or combination, restriction, erasure, or destruction of data. If a Security Breach occurs, Seller shall immediately notify FCA. A Security Breach also applies to a reported privacy complaint that Seller may receive in relation to the data or services provided under a Purchase Order. Immediately upon discovery of a Security Breach, Seller will (A)

notify FCA and provide all available information necessary to enable FCA to evaluate and respond to such Security Breach; (B) provide full cooperation and assistance to FCA in its investigation of such Security Breach; and (C) take immediate steps to mitigate and remedy the Security Breach at Seller's cost and expense in accordance with applicable Law and FCA's instructions. Seller shall reimburse FCA for costs and expenses incurred in connection with, responding to, and/or mitigating damages caused by a Security Breach, including attorneys' fees. Except as may be strictly required by applicable Law, Seller will not inform any third party of any Security Breach without first obtaining FCA's Approval, other than to inform a complainant that the matter has been forwarded to FCA's privacy office. Seller shall immediately notify FCA of any investigations of its information use or security practices by a government, regulatory, or self-regulatory organization.

17. **Financial Reporting.**

a. It is a condition to doing business with FCA that Seller has and maintains the financial resources necessary and appropriate for the performance of Seller's current and future supply of goods to FCA, as determined by FCA. If FCA determines in its sole discretion that Seller does not have such financial resources, such determination shall be deemed an "Event of Default" and FCA may terminate one or more Purchase Orders issued to Seller by providing Seller with written notice. Seller will furnish directly to FCA, or to FCA's designated third party service provider for collecting and processing supplier financial information, the following information in the format designated by FCA:

i. Quarterly Financial Statements. Within the earlier of (A) sixty (60) days after the close of each quarterly accounting period of Seller and (B) the date the statements described herein are due to any federal regulatory agency under applicable Law, the balance sheet of Seller as of the end of such period, the related statements of income and retained earnings, and statements of cash flow for such period, each prepared on a basis consistent with Seller's past practices and certified by an officer of Seller as representing fairly in all material respects the financial position, results of operation, and cash flows for the periods covered by such statements. Upon FCA's request, Seller will provide FCA with information specifying Seller's reserves for Recalls.

ii. Annual Financial Statements. Within the earlier of (A) one hundred twenty (120) days after the close of each fiscal year of Seller and (B) the date the statements described herein are due (after the expiration of any automatic grace period) to any federal regulatory agency under applicable Law, the balance sheet of Seller as of the end of such fiscal year, the related statements of income and retained earnings, and statements of cash flows for such fiscal year, setting forth comparative figures for the preceding fiscal year and certified by an officer of Seller as representing fairly in all material respects the financial position, results of operation, and cash flows for the periods covered by such statements, and, if an audit is performed, audited by independent certified public accountants and including a copy of such auditor's report thereon.

iii. Notice of Events of Default. If a breach, default, or an event of default has occurred and is continuing under any contract to which Seller is a party or by which it is bound, the effect of which could be reasonably anticipated to have a material adverse impact on Seller's financial condition or its ability to perform its obligations under the Contract or a Purchase Order, then Seller will immediately furnish notice of such breach, default, or event of default to FCA.

iv. Information Survey; Other Information. Seller will promptly provide FCA with its responses to any FCA information survey. Seller will also provide all other financial information and data requested by FCA from time to time, including information and data related to Seller's cost structure.

v. Updates to Seller Information. Seller shall update the information required to be provided on the Supplier Portal at least once each calendar quarter.

b. FCA will use commercially reasonable efforts to keep Seller Financial Confidential Information (as defined below) in FCA's possession from disclosure to (i) individuals or businesses outside of FCA; provided, however, FCA shall have the right to disclose Seller Financial Confidential Information to (A) present and future Affiliates of FCA to the extent that, in their core business, are not Tier 1 automotive suppliers or direct competitors of Seller; (B) FCA's designated third party service provider for collecting and processing supplier financial information; and (C) FCA's advisors, consultants, bankers, lenders, and service providers of every type in

connection with FCA's business or risk management goals, procedures, and practices that are subject to a confidentiality obligation with FCA covering Seller Financial Confidential Information, and (ii) FCA employees that do not have a reason to access such information. Further, Seller Financial Confidential Information may be used or disclosed by FCA for any business reason, including related to or in connection with its risk management functions or the sale or factoring of amounts owed to FCA. FCA shall have the right to sell or factor any amounts owed to FCA. "**Seller Financial Confidential Information**" means confidential information provided to FCA pursuant to Section 17.a above that is not publicly disclosed and that is marked "Confidential". The term "Seller Financial Confidential Information" does not include information that (A) was or becomes generally available to the public, other than as a result of a disclosure by FCA in violation of this Section 17; (B) FCA was aware of prior to its disclosure to FCA by Seller; (C) FCA learns of from a third party that, to FCA's actual knowledge, is under no obligation of confidentiality to Seller; or (D) FCA obtains in connection with any subsequent court, arbitration, or other legal proceedings. Notwithstanding the foregoing, nothing herein shall prevent FCA, if FCA becomes compelled to disclose Seller Financial Confidential Information by a legal authority having competent jurisdiction over Seller or FCA (by special deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process (each such process, a "**demand**")), from responding to such demand and disclosing Seller Financial Confidential Information without Seller's prior written consent; provided, however, that FCA will use reasonable commercial efforts to put in place procedures to provide Seller written notice of any such demand promptly after the receipt thereof unless otherwise prohibited by Law as directed by FCA's counsel. Seller may, with FCA's Approval, comply with the reporting requirements set forth in this Section 17 by delivering parent-level financial information. No information from Seller other than Seller Financial Confidential Information shall be deemed confidential unless FCA has executed a separate confidentiality agreement.

18. **Cancellation/Termination for Default.**

a. Without limiting any other rights or remedies of FCA under the Contract or a Purchase Order or at law or in equity (all such rights and remedies of FCA are cumulative and reserved), in addition to exercising FCA's rights under Section 30, FCA may suspend, cancel, or terminate the whole of or any part of a Purchase Order without liability, and may exercise any of its legal rights, including its remedies under Section 20, at any time upon or following the occurrence of any of the following events, whether such event applies to an installment or the entire Purchase Order, with the understanding and acknowledgement that each installment must conform exactly to the Purchase Order in all respects (e.g., quality, timing, quantity, assortment) or such installment will make it impossible for FCA to produce safe and quality vehicles in a timely fashion and thus such occurrence will substantially impairs the value of such installment and the entire Purchase Order (each an "**Event of Default**"):

i. Seller threatens that it will not or fails to timely deliver goods or perform services, whether in connection with an installment of or an entire Purchase Order;

ii. Without limiting subsection (i) above, Seller breaches or violates (material or nonmaterial) any other provision of, fails to fully, timely, and completely conform to or meet any other requirements contained in, or fails to fully, timely, and completely perform any other provision of, an installment of or an entire Purchase Order, at the time specified therein (or threatens any of the foregoing) and to the extent such violation or failure is capable of being cured (as determined by FCA in its sole discretion), fails to so cure such failure to FCA's satisfaction within ten (10) days after the occurrence of such Event of Default;

iii. Seller fails to make appropriate progress towards fulfilling its obligations under an installment of or an entire Purchase Order as determined by FCA or fails to meet any milestone;

iv. Seller (A) becomes insolvent or generally fails to pay, or admits in writing its inability to pay, its debts as they become due, (B) voluntarily commences any proceeding or files any petition (1) under any bankruptcy, insolvency, or similar law, or (2) seeking dissolution, liquidation, reorganization, or the appointment of a receiver, trustee, custodian, conservator, or liquidator for itself or a substantial portion of its property, assets, or business, or (C) takes corporate action for the purpose of effecting any of the foregoing in (A) or (B) above; an order for relief is entered in a case under any bankruptcy, insolvency, or similar law in which Seller is a debtor;

or involuntary proceedings are, or an involuntary petition is, commenced or filed against Seller under any bankruptcy, insolvency, or similar law, unless any such proceedings and petition is dismissed within forty-five (45) days of its filing date;

V. In FCA's reasonable judgement Seller's financial or other condition is such that it threatens or could reasonably threaten Seller's ability to fully and timely perform under an installment of or an entire Purchase Order;

VI. Seller (A) repudiates all or any portion of, or any obligation under, an installment of or an entire Purchase Order (whether or not Seller has a legal right to do so) orally or in writing, including via email, (B) takes any action evidencing its intention or threat not to fully and timely perform each and all of its obligations under an installment of or an entire Purchase Order (including announcing or threatening non-delivery or the stop-shipment of goods), or (C) fails or omits to take any action required to be performed by Seller that is necessary for Seller to fully and timely deliver fully conforming goods or otherwise perform under an installment of or an entire Purchase Order;

VII. Any trade payables, other accounts payable, or other amounts owed to FCA or its Affiliates by Seller or its Affiliates have not been paid within thirty (30) days after the date such payable is due;

VIII. Seller's failure to provide adequate assurances of full and timely performance of all aspects of a Purchase Order upon FCA's request to Seller for the same in the time frame set forth by FCA in its request;

IX. Seller's failure to make timely progress on the performance of a Purchase Order that results in FCA believing, in its sole judgement, that Seller could fail to fully and timely perform such Purchase Order;

X. A Change in Control occurs without FCA's Approval; or

XI. Any Event of Default above occurs with respect to any Seller Supplier (assuming such Seller Supplier is "Seller" above).

b. Seller may terminate a Purchase Order due to FCA's material breach of such entire Purchase Order that is not remedied within sixty (60) days of Seller's written notice to FCA of the material breach which notice must contain the actions that Seller believes are necessary to cure such material breach, which period will automatically be extended if FCA is actively working towards such cure. Failure of FCA to pay amounts disputed by FCA or subject to FCA's rights of set-off, recoupment, or deduction shall not be deemed a breach of a Purchase Order.

c. Upon Seller's receipt of any notice of cancellation or termination under this Section 18, Seller will stop work on the date and to the extent specified in such notice and terminate all orders and subcontracts that relate to the cancelled or terminated Purchase Order or the applicable cancelled or terminated portion thereof.

d. To the extent permitted under applicable Law, Seller hereby waives the application of Michigan Compiled Laws ("MCL") § 440.2612 (and its equivalent based on UCC 2-612) with respect to any Purchase Order. If a court of competent jurisdiction determines that any purported termination by FCA under this Section 18 was made without legally sufficient cause or otherwise does not qualify under this Section 18, then the purported termination will be a termination subject to Section 19 and Seller's remedies, if any, will be limited to those set forth in Section 19.

19. Termination at FCA's Option.

a. FCA may terminate a Purchase Order in whole or in part at any time upon written notice to Seller for any or no reason. FCA shall have the right, upon notice to Seller, to immediately require Seller to terminate or utilize a different Seller Supplier in connection with a Purchase Order.

b. Upon Seller's receipt of any notice of termination pursuant to Section 19.a, Seller will immediately, or at such other time to the extent specified in such notice, stop work and terminate all orders, supplier contracts, and subcontracts that relate to the terminated Purchase Order or the applicable terminated portion thereof, protect and preserve any asset or intellectual property that is owned by or will be transferred or licensed to FCA, and cooperate with FCA in wind-down related functions and the transition of the work under that Purchase Order to FCA or its designee. FCA will pay Seller for (i) finished work that had been released by FCA and timely delivered

to and Accepted by FCA as of the date of such termination, and (ii) the reasonable, documented out of pocket cost to Seller of work in process and raw material allocable to the terminated work (unless Seller can return or use such raw material in other work and FCA does not want such raw material) that is not in excess of any prior FCA authorization (as set forth on the Purchase Order or otherwise (raw and fab)), provided such work in process or raw material, as applicable, is timely delivered to FCA or its designee. Within thirty (30) days after the effective date of such termination, Seller will submit claims under the foregoing subsections (i) and (ii) for Seller's direct cost that Seller incurred for such allowable items; provided, however, Seller may not include in its claim (A) selling, general, or administrative costs, (B) interest costs or the cost of capital, (C) any Special Damages, (D) fixed overhead absorption or other overhead costs, (E) capital equipment, (F) facility costs, including the rearranging of any facility, (G) engineering, product development, tooling, or plant modification costs, (H) labor reassignment costs, including severance costs or labor inefficiencies, (I) training costs, or (J) costs related to obtaining the Purchase Order. FCA will compensate Seller for any unamortized Tooling as set forth in FCA's applicable Policy. At FCA's option, Seller shall deliver the Tooling and all other work in progress to FCA or its designee as directed by FCA.

C. FCA has the right to verify all such claims by auditing the relevant records, facilities, work, and materials of Seller and/or its subcontractors. Payment of a valid claim made under this Section 19 will constitute FCA's only liability in connection with or resulting from such termination or otherwise; title and right of possession to all goods and services shall pass to FCA consistent with the provisions of the Contract regardless of such payment. The provisions of this Section 19 will not apply to any cancellation by FCA for default by Seller (see Section 18) or for any other cause recognized by Law or as limited by the Purchase Order. If a dispute arises regarding the amount of Seller's claim under this Section 19, then the dispute will be finally resolved in accordance with Section 23, and FCA will not be in breach of the Purchase Order for failing to pay the amount claimed by Seller prior to conclusion of an adjudication or arbitration pursuant to Section 23.

20. [Remedies.](#)

a. Upon the occurrence of any Event of Default or any other breach of the Contract or a Purchase Order (including any installment thereof), FCA will have the right to suspend, cancel, or terminate in whole or in part the Purchase Order, obtain replacement or substitute goods (temporarily or permanently) from any other person or entity (including any Seller Suppliers), take possession of and title to all or any part of any work performed by Seller under the Purchase Order upon written notice to Seller, and take any other action permitted under applicable Law. FCA will also have the right to take immediate possession of any and all of Buyer's Property at any time without payments of any kind to Seller. If FCA exercises any of the foregoing rights, Seller must cooperate with FCA in FCA's taking possession of such work and Buyer's Property, including allowing access to Seller's facilities. If FCA terminates a Purchase Order for an Event of Default, FCA shall also have the right to terminate all or certain other Purchase Orders with Seller as a result of and pursuant to such Event of Default.

b. If FCA exercises its right to suspend, cancel, or terminate a Purchase Order in whole for the occurrence of an Event of Default or other breach of a Purchase Order by Seller or if Seller for any reason is unable to satisfy the quality, quantity, delivery, or other requirements under a Purchase Order, or if FCA terminates a Purchase Order pursuant to Section 19, then:

i. To the extent not provided for in Article 19 of the Global GTCs, Seller grants to FCA a non-exclusive, world-wide, fully paid-up, sublicensable, irrevocable and perpetual right and license to (A) use, exploit, and make and own derivative works of, any and all work product, rights, and intellectual property of, or granted to, Seller that is incorporated into or used to make, design, use, or exploit any goods or incorporated in any work product or good connected with that Purchase Order, and (B) make, have made, sell, offer for sale, import or export, or modify the goods and work product connected with that Purchase Order;

ii. Upon request from FCA, Seller will promptly provide, without charge, the following for such goods and work product: (A) any drawings or design aides, including any computer-aided design data and design aides, (B) specifications, (C) bills of material, (D) Seller information for any purchased components used in such goods or work product, and (E) manufacturing process information regarding such goods or work product; and

- iii. To the extent FCA paid for prototype tooling for the goods or work product under a purchase order or other agreement, then in order to ensure that FCA can make full beneficial use of the rights provided in this Section 20, Seller will provide the following for such goods and work product: (A) any prototype tools (e.g., dies and molds), including any computer aided design data for such prototype tools, and (B) the specifications, bills of material, Seller information for any purchased components used in such prototype tools, and manufacturing process information regarding such prototype tools.
- c. In connection with the expiration or termination of a Purchase Order, the goods provided by Seller may need to be satisfied by one or more suppliers (“Successor Sellers”). Promptly following receipt of a notice of termination or cancellation, at the request of FCA, Seller and FCA will meet to develop a transition plan which will be finalized by FCA at its reasonable discretion (as finalized by FCA, “**Transition Plan**”), to wind-down the applicable business with Seller and to transition the same to FCA’s designated Successor Seller. Seller will timely and fully carry out the Transition Plan, cooperate with FCA’s and/or the Successor Seller’s requests in connection with the Transition Plan, and take all other actions necessary or helpful to ensure an orderly transition and full knowledge transfer to the Successor Seller. In connection with the foregoing, Seller will act in a manner that is respectful of the Successor Seller, preserves FCA’s goodwill and reputation, and helps to ensure continuity of, and minimizes any adverse impact on FCA. Seller will not be entitled to any additional or new compensation in connection with development or execution of the Transition Plan. Seller’s obligations under this Section shall be absolute and such obligations may not be withheld or conditioned by Seller for any reason whatsoever, including, but not limited to, any disputes among the parties for payments or otherwise.
- d. In addition to all other rights and remedies, FCA may, upon five (5) days’ written notice to Seller of actual or threatened repeated non-performance concerning timing, capacity, or quality, engage (or require that Seller engage) a third party Approved by FCA for the purpose of supporting Seller’s remediation of such timing, capacity, or quality deficiencies. Seller will pay all costs associated with such remediation efforts and will reimburse FCA for any costs incurred by FCA hereunder, which may be recovered by means of FCA’s rights of set-off, recoupment, or deduction under Section 13.
- e. Upon an Event of Default or other breach of the Contract or a Purchase Order, FCA may, but is not required to, all at Seller’s cost and expense, designate one or more representatives to be present in Seller’s applicable facility to observe Seller’s operations.
- f. FCA’s rights and remedies under the Contract and each Purchase Order are cumulative and in addition to any other rights and remedies available to FCA at Law or in equity. No (i) waiver of (A) any breach of the Contract or a Purchase Order, (B) the exercise or non-exercise of any provision of the Contract or a Purchase Order, or (C) any agreed-upon cure remediation plan arising under the Contract or a Purchase Order, or (ii) failure to provide notice of a breach, will constitute a waiver of such breach, any other breach or such provision.
- g. In connection with the Contract and a Purchase Order, all future events are deemed foreseeable by Seller, Seller assumes such events will occur, and Seller assumes the risk of the occurrence or non-occurrence of all future events.

21. **Required Compliance; Cooperation.**

- a. Seller will provide and maintain an Environmental Management System that complies with the most current version of ISO 14001.
- b. Seller does not have the authority to enter into agreements with Seller Suppliers, or any other person or entity, as agent for or otherwise on behalf of FCA, and Seller shall not have the right to act as FCA’s agent in connection with the goods or a Purchase Order.
- c. At the request of FCA, Seller will cooperate with and assist FCA’s other suppliers and contractors in connection with the Contract or any Purchase Order, as reasonably requested by FCA.
- d. Seller and its Seller Suppliers will comply with all applicable legal requirements (local, national, international, or otherwise) regarding the proper handling, storage, and transmission of all legally protected personal data.
22. **Supplier Diversity Program.** FCA has an established supplier development program to develop and maintain a qualified diverse supply base. FCA actively seeks diverse suppliers and encourages Seller to use diverse suppliers and subcontractors (subject to the requirements of the Contract). A diverse supplier is a business establishment

that meets one or more of the following criteria: (a) a small business, as defined in Title 15, Section 632 of the United States Code and related regulations; (b) a small business owned and controlled by socially disadvantaged individuals (at least fifty-one percent (51%) of the business is owned and controlled by one or more socially and economically disadvantaged individuals and the management and daily business operations are controlled by one or more of such individuals); (c) a business that is at least fifty-one percent (51%) owned by a woman or women who also control and operate the business; (d) a small business that obtains HUBZone (Historically Underutilized Business Zone) certification (maintains a principal office in a HUBZone, at least fifty-one percent (51%) of the business is owned and controlled by one or more U.S. citizens, and at least thirty-five percent (35%) of its employees reside in a HUBZone); (e) a business that is at least fifty-one percent (51%) owned by a service-disabled veteran (an individual who has served in the U.S. armed forces and has received an honorable discharge documented by DD Form 214, Certificate of Release of Discharge from Active Duty); (f) a business that is at least fifty-one percent (51%) owned by a veteran or veterans who also control and operate the business; or (g) other categories of diverse businesses as FCA may include in its diversity supplier development program. Seller will report monthly to FCA, in accordance with FCA's diversity supplier development program requirements, on the content provided by any such suppliers for the goods or services purchased under a Purchase Order as well as the basis for claiming that such content was provided by such a supplier.

23. **Dispute Resolution; Governing Law.**

a. The Contract, General Terms and Conditions, each Purchase Order and all transactions between FCA and Seller will be governed by and construed in accordance with the laws of State of Michigan, United States of America as if entirely performed therein (excluding its choice of law rules); provided, however, any Purchase Order between FCA Canada Inc. and Seller will be governed by and construed in accordance with the laws of the province of Ontario, Canada as if entirely performed therein. The 1980 United Nations Convention on Contracts for the International Sale of Goods is not intended to and does not apply to the Contract, any Purchase Order, or any transactions pursuant hereto, and FCA and Seller specifically waive its application.

b. Seller irrevocably consents to the personal jurisdiction of the state and federal courts in and for Oakland County, Michigan, USA, and irrevocably waives any claim it may have that any proceedings brought in such courts have been brought in an inconvenient forum. Any suit regarding or relating to the Contract, General Terms and Conditions or any Purchase Order may only be brought by Seller in the state or federal courts in and for Oakland County, Michigan, USA, which are the exclusive venues for any such suit brought by Seller. SELLER WAIVES THE RIGHT TO TRIAL BY JURY. Any and all claims must be brought by Seller within one (1) year of the date such claim first arises, whether or not Seller has actual knowledge of such claim(s).

c. Any dispute arising out of or in connection with the Contract, the General Terms and Conditions or any Purchase Order may, by agreement in writing of both Parties (or by FCA's unilateral election in the case of disputes relating to quality, warranty, or indemnification under the Contract, including claims in connection with Recalls), be referred to and finally resolved by binding arbitration in accordance with the Expedited Rules of Arbitration set forth in Annex A hereto. If FCA is the prevailing party in any dispute under the Contract, Seller shall pay to FCA all of the costs and expenses incurred by FCA in such dispute, including its accounting and attorneys' fees and costs.

24. **Electronic Communications and Transactions.** FCA may prescribe any aspect of electronic communication, electronic signature, electronic funds transfer, and/or electronic data interchange between Seller and FCA, and Seller will follow each of FCA's prescriptions. If there are any discrepancies between FCA's electronic data and Seller's records, FCA's electronic data shall control.

25. **Compliance with Requirements; Formula and Information Disclosure; Emissions.**

a. If Seller supplies emission related or impacting goods or services to FCA ("**Emission-Related Goods or Services**"), including the following: system controls; engine/transmission software; calibration; emissions testing; emissions-related hardware or software; goods or services that impact, or could impact, the disclosure, functionality, reliability, or implementation of auxiliary emission control devices ("**AECD**"), auxiliary emission strategies ("**AES**"), or base emission strategies ("**BES**"); and goods or services that potentially could be, contain,

or create hardware, software, or a design that, directly or indirectly, interferes with or disables emissions controls or measurement tools, even if the applicable vehicle passes formal emissions testing (“**Defeat Device**”), then Seller:

- i. acknowledges that FCA makes available to Seller a Defeat Device Awareness and Prevention training module (“**Defeat Device Training**”);
- ii. must (A) establish a process to create awareness of and emphasize the importance of requiring Seller’s employees and contractors who participate in Seller’s supply of Emission-Related Goods or Services to FCA to take such Defeat Device Training and (B) ensure such Seller employees and contractors take and complete the Defeat Device Training annually;
- iii. must provide to FCA in the form requested by FCA from time to time documentation that lists and accurately describes all AECDs, AESs, and BESs that are associated with Seller’s Emission-Related Goods or Services; and
- iv. must provide to FCA for each Emission-Related Good or Service, at the latest upon the delivery of the first of such Emission-Related Goods or Services, a written confirmation as follows:

“Seller confirms to FCA (A) that Seller has disclosed and accurately described to FCA all AECDs, AESs and BESs that are associated with Seller’s Emission-Related Goods or Services, (B) for Emission-Related Goods or Services goods, that such goods are not, do not contain, and do not create a Defeat Device in an FCA vehicle, good, or component, and (C) for Emission-Related Goods or Services, that no AECD, AES or BES referenced in subsection (A) of this confirmation is a Defeat Device.”

26. Right to Audit. During the Audit Period (as defined below), Seller grants to FCA and its designated third party contractors access to and the right to inspect and receive a copy of all of Seller’s (and its Seller Suppliers) information, documents, and data, including books, records, payroll data, receipts, correspondence, pricing, cost information, forecasts, data showing the conformance or nonconformance of any good, sustainability information (e.g., Global Reporting Initiative standards), chemical data in connection with Seller’s obligations under Section 25, electronic and non-electronic information, documents, and data relating to the goods or services provided or to be provided under the Contract or a Purchase Order, Buyer’s Property, Seller’s obligations under the Contract or a Purchase Order, any payment made to Seller, policies and procedures in connection with the storage, Processing, and handling of FCA Data and Personal Data, and/or any claim made by Seller, in each case as FCA deems necessary or helpful for the purpose of auditing or verifying Seller’s performance of its obligations and its charges under the Contract or a Purchase Order or in connection with FCA exercising any of its rights under the Contract or a Purchase Order. Seller will, and will cause its Seller Suppliers to, preserve this information and these documents for a period equal to the greater of the period required under the then current FCA US LLC Record Retention Schedule, the period required under applicable Law, or ten (10) years after the final payment is made under a Purchase Order (as applicable, the “**Audit Period**”). Seller and its Seller Suppliers will segregate their respective information, documents, and data as directed by FCA and otherwise cooperate with FCA to facilitate the audit or verification process. In addition, FCA and its designated third party contractors have the right to visually inspect and audit any facility or process relating to the goods to be provided under a Purchase Order, including those of Seller Suppliers. FCA shall have the right to exercise its rights under this Section upon forty-eight (48) hours’ notice to Seller; however, in certain emergency circumstances as determined by FCA, FCA can exercise such rights immediately. Any information, documents, or data actually provided by Seller to FCA under this Section that is “Seller Financial Confidential Information” shall be protected as such under Section 17. If any audit or inspection uncovers errors in the amounts charged in excess of three percent (3%) (annually or any other billing period determined by FCA) or uncovers other Seller breaches, Seller shall promptly reimburse FCA for its costs and expenses (out-of-pocket and internal costs) incurred or paid in connection with such audit or inspection. Seller will also immediately pay FCA any such overcharges. Seller will ensure that it has the contractual rights to enforce the obligations set forth in this Section on its Seller Suppliers. Seller will comply with FCA’s Record Retention Schedule as set forth from time to time on the Supplier Portal. Seller will reasonably implement any quality or safety improvement suggestions received by FCA; provided, however, Seller shall be solely responsible and liable for verifying and determining the efficacy of such suggestions and the results thereof.

- 27. Assignment of Antitrust Claims.** Upon FCA's request, Seller will execute a written assignment of all right, title, and interest in and to all causes of actions and insurance rights under or related to any applicable antitrust or similar laws arising out of or relating to Seller's purchase of raw materials or ingredients used in goods sold or resold to FCA. If FCA recovers damages on account of any such assigned claim, and a portion of such damages is reasonably allocable to Seller, FCA will, net of its costs and expenses incurred in connection with such claim, including attorneys' fees and costs, return such allocable amount to Seller.
- 28. Survival.** The provisions of the Contract and of each Purchase Order intended by their terms to survive termination, cancellation or expiration of the Contract and/or the Purchase Order will survive any termination, cancellation or expiration of the Purchase Order, including Sections 1, 2, 5, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 30, 31, 33, 34, 35, 36, 37, 38, and 39.
- 29. Competitiveness.** Seller will at all times be and remain competitive with respect to each good supplied to FCA pursuant to a Purchase Order on a total cost basis taking into account each of the following attributes: cost to FCA, quality, delivery, timing, reliability of supply, technology, financial stability, and performance of obligations under the Purchase Order. FCA reserves the right, at any time during the Term, to market test any good to be supplied under a Purchase Order to determine the competitiveness of a good. To be "**competitive**" means to be (i) equal to or better than all other suppliers and potential suppliers of that good with respect to cost to FCA, (ii) equal to or better than all other suppliers and potential suppliers of that good in as many of the above listed attributes, other than cost, as any other supplier or potential supplier of similar goods, and (iii) in support of all FCA requirements set forth in the Contract and Purchase Order to the extent that another qualified and cost-competitive supplier supports or would support those requirements. Cost competitiveness comparisons will take into account applicable engineering, research, and development costs. If Seller is only not cost competitive with respect to a good, FCA may notify Seller of its non-competitiveness by specifying the cost competitive deficiency in a written notice (the "**Cure Notice**"). Upon receipt of a Cure Notice, Seller must cure such deficiency by (x) submitting to FCA within thirty (30) days of the date of such Cure Notice a plan acceptable to FCA for the remediation of the non-competitiveness as soon as practicable, and (y) fully performing such plan (if FCA Approves the plan). Seller's plan will identify the actions needed to remediate its deficiency with respect to cost competitiveness and an aggressive timeline for the completion of each such action. FCA will notify Seller of its Approval or rejection of Seller's remediation plan within thirty (30) days of receipt of such plan. FCA will have the right to accept any reasonable plan from Seller that is more likely than not to promptly remediate a cost competitive deficiency without impacting any other aspect of such supply. However, FCA will be entitled to use its discretion in evaluating both the probability of success and the promptness of any such plan. If FCA delivers a Cure Notice to Seller, FCA may not terminate the Purchase Order pursuant to Section 18 for such non-competitiveness unless (A) Seller does not timely submit a remediation plan; (B) FCA rejects Seller's remediation plan; (C) Seller fails to fully perform the requirements of its remediation plan, or fails to meet any of the deadlines set forth therein; or (D) upon the completion of Seller's remediation plan, Seller remains, in FCA sole judgement, uncompetitive with respect to cost. If FCA does not deliver a Cure Notice with respect to cost, FCA may terminate the Purchase Order pursuant to Section 18. If Seller is uncompetitive with respect to attributes other than cost, FCA may terminate the Purchase Order pursuant to Section 18 or FCA may invoke the process above for cost competitiveness which shall be binding on Seller. Seller represents and warrants that the pricing offered to FCA is equal to or better than the pricing offered to or enjoyed by any other person or entity. If Seller contracts with or offers pricing that is lower than the price that FCA is then subject to, then Seller shall immediately make that pricing available to FCA.
- 30. Equitable Relief.** Seller acknowledges and agrees that a breach of Sections 2, 5, 9, 11, 15, 16, 17, 20, 21, 23, 25, 26, 27, 33, 34, 37, and 38, or a failure to fully comply with the Contract with respect to Seller's obligations related to FCA Data, work product, FCA Confidential Information, Buyer's Property, or Bailed Property (collectively, the "**Equitable Relief Provisions**"), would cause irreparable damage to FCA, including potential damage to FCA's relationships with its customers, suppliers, labor unions, lenders, and prospective future customers, the exact amount of which would be difficult to ascertain, and that the remedies at law and monetary damages for any such breach would be inadequate and difficult to measure. Accordingly, without limiting any other right or remedy of FCA with respect to any other provision of the Contract, in the event of any breach of, or

any action threatened by Seller that if taken would constitute a breach of, its obligations under any of the Equitable Relief Provisions, FCA and its Affiliates and their successors and assigns shall be entitled to injunctive or other equitable relief and/or a decree for specific performance, without the posting of any bond or other security, in addition to any other remedies it may have for damages or otherwise. Seller shall not take any action or position inconsistent with this acknowledgement, and FCA will be entitled to recover from Seller FCA's costs and expenses, including reasonable attorney fees and costs, in connection with any action under or the enforcement of this Section 30.

- 31. Notice.** Notices to FCA must be in writing. E-mail notification will be sufficient and acceptable written notice. Any e-mail notice sent will be deemed to have been received on the second business day after such notice was sent (if not rejected by automatic response). Any written notice sent using any other manner will be deemed to have been received upon the earlier of (i) actual receipt by the party to whom the notice is directed, and (ii) the second business day after delivery, in the case of U.S. and Canadian deliveries, or the fifth business day after delivery for all other deliveries. Any notice to FCA must also be sent to its head of purchasing.
32. **Cost Savings Programs.** Any cost savings proposal or plans included by Seller in the Supplier Portal or otherwise shall be deemed binding on Seller. In addition, Seller will provide to FCA, in writing by October 1 for each upcoming year during the Term, Seller's plan for implementing cost savings and productivity improvements to reduce Seller's and FCA's costs in accordance with the then-current FCA cost savings program(s). In addition, Seller will use its best efforts to minimize and reduce the costs and expenses of the goods and will pass on all such savings to FCA. Seller will comply with all cost savings Policies.
33. **Seller's Contracts with its Suppliers and Subcontractors.**
- a. Seller will enter into, and then enforce for the benefit of FCA all rights and exercise all remedies arising out of, an agreement with each Seller Supplier and such agreements shall contain terms at least as beneficial to FCA as those contained in the Contract. All contracts with Seller Suppliers must be assignable to FCA. If FCA provides notice to Seller of an Event of Default or other breach of the Contract or a Purchase Order that involves, or could involve, a Seller Supplier, Seller shall immediately, both on behalf of itself and as agent of FCA, provide written notice of the same to each such Seller Supplier.
- b. Seller represents, warrants, and covenants that each of its Seller Suppliers is and will be in full compliance with the representations, warranties, covenants, and requirements of Section 7, and all of the foregoing are accurate, as applied to each such Seller Supplier.
- c. If FCA requests or directs Seller in writing (including in a Purchase Order or a Source Package) to use a particular Seller Supplier (a "**Directed Component Supplier**") in connection with the goods to be provided under a Purchase Order, then (i) FCA will establish the prices charged to Seller by the Directed Component Supplier unless it instructs Seller to negotiate such prices directly with the Seller Supplier, (ii) Seller will be responsible and liable for all other aspects of the supply relationship between Seller and the Directed Component Supplier, (iii) Seller will enter into, and then enforce for the benefit of FCA all rights and exercise all remedies arising out of, an agreement with the Directed Component Supplier, which agreement must contain terms at least as beneficial to FCA as those contained in the Contract ("**Directed Component Agreement**"), (iv) Seller will ensure that FCA is an intended and stated third party beneficiary of the Directed Component Agreement, (v) in addition to all other rights and remedies, FCA shall have the right (but not the duty), in its sole discretion, to require that Seller assign all, or any portion, of the rights, claims, and remedies that Seller has against the Directed Component Supplier pursuant to the Directed Component Agreement or otherwise to FCA or its designee (and if FCA exercises such assignment right, it shall notify Seller of the rights, claims, and/or remedies that FCA desires to be assigned, and the assignment shall be deemed effective upon FCA's delivery of such notice), (vi) Seller will be deemed an "Assembler" under Section 34 and agrees to be bound as an Assembler, and (vii) Seller shall cooperate with FCA with respect to and participate in, as requested by FCA from time to time, the resolution of any dispute or issue with the Directed Component Supplier. FCA's exercise of its rights under this section shall not affect or abrogate (A) any rights, responsibilities, or liabilities under the Contract between FCA and Seller or (B) Seller's responsibilities or liabilities under any Directed Component Agreement.

d. If the specifications, terms, or price of a good to be supplied by Directed Component Supplier to Seller change and are more favorable to Seller, then Seller shall automatically pass on those more favorable specifications, terms, and prices to FCA. Furthermore, if FCA and Seller change the specifications, terms, or price of a good to be supplied by Seller to FCA that is more favorable to FCA, then Seller shall automatically pass on those more favorable specifications, terms, and prices to the Directed Component Supplier.

34. **Seller Acting as Directed Component Supplier.** Without limiting the application of Section 33, if FCA directs another supplier to FCA to purchase a part or component for a good from Seller, then Seller, whether or not Seller receives a Purchase Order from FCA in connection therewith, as a Directed Component Supplier, agrees as follows in connection with such supply: (i) Seller will be referred to as Directed Component Supplier for purposes of this Section 34, (ii) this Section 34 (in addition to all of the other General Terms and Conditions, except to the extent not applicable (as determined by FCA) to the role of the Directed Component Supplier (e.g., Seller will not be providing goods directly to FCA)) will apply to and bind Directed Component Supplier, and (iii) the other supplier that FCA directs to use Directed Component Supplier will be referred to as the “**Assembler**” for purposes of this Section 34. Directed Component Supplier acknowledges and agrees that (A) if it does not agree to and accept the terms of this Section 34, FCA will not direct Assembler to do business with such Directed Component Supplier and as such the Directed Component Supplier will not receive the revenue from such order, (B) it will obtain considerable benefit from doing business with Assembler, and (C) even though FCA is not obligated to purchase any goods directly from Directed Component Supplier, Directed Component Supplier is receiving adequate consideration from FCA in exchange for Directed Component Supplier’s obligations under this Section 34. Furthermore, although Directed Component Supplier is selling goods directly to Assembler (and not FCA), FCA shall have the right to enforce each and all of the terms of the Contract and these General Terms and Conditions directly against Directed Component Supplier as if Directed Component Supplier (as “Seller” under the Contract) directly sold the goods to FCA. Directed Component Supplier and the Assembler each acknowledges and agrees that (and waives any provisions to the contrary) FCA (1) is an intended third party beneficiary of the Directed Component Agreement and (2) shall have the right to be assigned and enforce all or certain (at FCA’s discretion) of Assembler’s or Directed Component Party’s rights and remedies under the Directed Component Agreement.

a. Directed Component Supplier will supply the goods to Assembler for the benefit of FCA in accordance with these General Terms and Conditions and the Directed Component Agreement (to the extent such agreements conflict, Directed Component Supplier shall comply with and be obligated to the higher standard or obligation).

b. In addition to the indemnification obligations set forth in Section 10, Directed Component Supplier will defend, indemnify and hold FCA and its Affiliates, including their respective employees, officers, directors, agents and representatives, harmless against all Claims (as defined in Section 10) and pay (i) all Liabilities, losses, damages (including judgments, amounts paid in settlement and other recoveries) and (ii) all Liabilities in connection with (A) any breach or nonperformance by Directed Component Supplier of any Directed Component Agreement or these General Terms and Conditions, (B) claims by Assembler against FCA relating to Directed Component Supplier’s performance, breach, or non-performance, or (C) injury or death of any person or damage to or loss of any property allegedly or actually resulting from or arising out of any act, omission, or negligence of, or good from, Directed Component Supplier or its employees, agents, or subcontractors.

c. All nonconforming goods delivered to FCA, whether through Assembler or directly by Directed Component Supplier, shall be processed through FCA’s Nonconformance Tracking System or successor system (“NCT”). A nonconformance ticket will be issued to Assembler regardless of whether the nonconformance may have been caused by goods supplied by Directed Component Supplier or whether the nonconformance was caused by Assembler or another provider of goods to Assembler. Pursuant to FCA Policies and procedures, Assembler shall be responsible for paying FCA the amounts set forth in the NCT ticket. Assembler and its suppliers of components for the goods, which may include Directed Component Supplier, will apportion the liability between them depending on the cause and fault of each that resulted in such nonconformance, as agreed upon by such parties (if there is any dispute between Assembler and the Directed Component Supplier, FCA reserves the right, but not the obligation, to resolve the dispute in FCA’s discretion, which decision shall be final).

d. Directed Component Supplier will cooperate with and promptly provide Assembler with any and all information and documents requested by Assembler to (i) allow Assembler to submit complete information to FCA's capacity management system and (ii) monitor and verify that Directed Component Supplier is operating to its maximum capacity when required by Assembler. Directed Component Supplier shall promptly notify Assembler and FCA of any changes in its capacity or if it is not producing goods at maximum capacity when the volume of goods ordered by Assembler so require.

e. If Assembler's peak requirements for goods exceed Directed Component Supplier's capacity because FCA increases its requirement for goods, Directed Component Supplier will meet promptly with Assembler and FCA, consistent with FCA's capacity management policies (including its volume variance system and capacity database) or as otherwise directed by FCA, to discuss what, if any, additional capital investments are reasonably required by Directed Component Supplier to meet such peak requirements. FCA may agree in writing to compensate the Directed Component Supplier for such capital investment through a piece price adjustment or a new Tooling purchase order, in which case FCA will issue a Purchase Order for the Buyer's Property to be purchased or provide the new price to be paid for the applicable goods. Thereafter, the Directed Component Supplier shall promptly make such capital investment and meet FCA's capacity demands. FCA will have the right to verify all claims regarding the need for a price adjustment or additional capital investment and the sole discretion to determine whether to accept such changes or to source peak requirements elsewhere.

f. If Directed Component Supplier cannot, does not, or refuses to produce goods up to its maximum capacity, FCA shall have the right to assess damages against Directed Component Supplier for any and all liabilities, costs, and expenses incurred by FCA and Assembler related to or arising out of (i) Directed Component Supplier's failure to supply goods up to its stated capacity or (ii) assisting Assembler in procuring comparable goods from another supplier. Nothing in this Section 34 limits or abrogates, or is intended to limit or abrogate, Directed Component Supplier's obligation to supply to Assembler the quantity or quality of goods necessary to satisfy Assembler's requirements.

g. FCA has the option, in its sole direction, to require Assembler to assign to FCA or its designee (and Assembler hereby does so assign in the event FCA so elects) any and all rights, claims, or remedies that Assembler has or may have, including those under the Directed Component Agreement, against Directed Component Supplier for the goods. If FCA exercises its assignment option, (i) FCA shall not be, or be deemed to be, a successor in interest to Assembler or otherwise responsible for the acts or omissions of Assembler or for any counter claims, damage claims, costs, expenses, or similar claims or liabilities that Directed Component Supplier may have or may assert against Assembler, (ii) FCA shall not be responsible or liable for any goods provided by Assembler, and (iii) Directed Component Supplier shall not assert any such claims against FCA. This provision, whether or not the assignment right is exercised, does not affect or abrogate any of the Parties' rights or responsibilities under these General Terms and Conditions, the purchase order between FCA and Assembler, or under any Directed Component Agreement.

h. The exercise by FCA of any of its rights under these General Terms and Conditions, the Contract or a Purchase Order between FCA and Assembler shall not give rise to or result in (i) Directed Component Supplier having a claim for compensation or amounts, or (ii) FCA being liable to Directed Component Supplier for any direct or indirect damages, including but not limited to any Special Damages.

i. For all disputes arising out of this Section 34 or the Directed Component Agreement, Directed Component Supplier hereby waives, and agrees to waive at all times in the future, any and all objections and defenses relating to consideration, acceptance, mutuality, and privity of contract.

35. [Term.](#)

a. Subject to any provisions that survive termination, if there are no outstanding Purchase Orders for a period of ninety (90) days, then either Party may terminate the Contract upon one (1) year written notice; provided, however, if Seller accepts any Purchase Order after the effective termination or during the one year notice of termination period of the Contract, the Contract, including the General Terms and Conditions, shall thereafter be revived and remain in full force and effect until either party properly provides a new notice of termination.

b. The term of a Purchase Order is stated on the first page of the Purchase Order and any Purchase Order that does not specify an end-date or has an end date of “9999” shall be deemed to have a term for the life of the program for which such good under that Purchase Order is part of (for commodity, generic, or multiple vehicle program goods (e.g., oil, engines, or parts that go across multiple vehicle programs), a Purchase Order may extend across multiple vehicle programs as determined by FCA from time to time, for which the term of such Purchase Order is the date of the termination of the last vehicle program using such commodity, generic goods or multiple vehicle program good), as such life is extended by FCA from time to time (“**Term**”). At FCA’s sole option, the Term may be extended (one or more times) for one or more additional vehicle programs either by FCA’s notifying Seller of the extension or by FCA’s issuance of releases for some or all of the goods identified in the Purchase Order for a future vehicle program, with the Purchase Order being extended for each good for which Seller receives a release or other appropriate communication extending the Purchase Order for such additional model year(s).

36. Disposal of Scrap. Any goods, assemblies, subassemblies, or materials related to a Purchase Order that are disposed of by Seller in any manner other than through the sale to FCA under the terms of a Purchase Order are scrap (“**Scrap**”) and must be mutilated or otherwise rendered unusable for anything other than material content. If the goods, tools, assemblies, subassemblies, or materials are the subject of an allowable cancellation claim, mutilation must occur only after audit inspection by and receipt of disposal instructions from FCA; any earlier mutilation or destroying thereof will render all cancellation claims by Seller null and void. FCA has the right to examine all pertinent documents, data, and other information relating to the mutilation of any and all Scrap. In addition, FCA has the right to visually inspect and audit any facility or process relating to the mutilation of Scrap. Seller must maintain all relevant documents, data, and other written information relating to its obligations to mutilate Scrap for at least four (4) years following the later of the last delivery of goods or final payment under such Purchase Order. Copies of such documents, data, and written information relating to Seller’s obligations to mutilate Scrap will be provided to FCA upon FCA’s request. Scrap is also addressed in the FCA US LLC Raw Material Resale Program Guidelines which guidelines are hereby incorporated into and shall be a part of the General Terms and Conditions.

37. FCA Computer Network; Access; Confidentiality.

a. If FCA grants Seller access to FCA’s computer network, such access extends only to those employees of Seller who have a need for access to perform work for FCA related to such specific access and whom have agreed to maintain the confidentiality of such information and only use the same for the benefit of FCA. All data, information, and content on, or obtained through, any FCA computer network shall be deemed Confidential Information (as defined below). Seller shall inform its employees that the data and information they access or review are confidential and must not be communicated or provided to others nor used for any purpose other than performing work for and for the benefit of FCA.

b. FCA does not grant any intellectual property right, including trade secret, patent, or copyright, by granting Seller access to FCA’s computer network. No right to use FCA-owned or leased hardware, facilities, or software applications or programs, including communication software or software design programs, may be inferred from FCA’s granting access to its computer network to Seller.

c. FCA may terminate Seller’s access to FCA’s computer network in FCA’s sole discretion. Upon termination of Seller’s access privileges, Seller must return all copies of any data and information obtained from FCA’s computer network and any information obtained from the data and information that Seller obtained or possesses. Seller’s confidentiality obligation with respect to each datum of information obtained from FCA or derived from any data or information obtained from FCA shall survive termination of Seller’s access privileges and continues until the data becomes public knowledge due to no action or omission of Seller.

d. Seller must inform FCA whenever Seller suspects that data or information obtained from FCA’s computer network has been wrongfully used or released or if accessed by an unauthorized third party.

e. Seller assumes all risk of accessing FCA’s computer network. FCA makes no representation or warranty, either express or implied, regarding its computer network, including implied warranties of merchantability and fitness for a particular purpose. FCA’s computer network and data files may contain errors or viruses. FCA is not liable for any damage

arising from Seller's access to or use of FCA's computer network, including, loss of profit, use, goodwill, work stoppage, computer failure or malfunction, interruption of business, or any direct or Special Damages arising out of access to or the use or performance of FCA's network.

f. FCA and its Affiliates, and one or more of the foregoing entities' suppliers, contractors, agents or representatives may disclose to, or Seller may have access to and/or receive (either from FCA or from one or more FCA Affiliates, suppliers, contractors, agents or representatives), information and data about FCA and/or one or more FCA Affiliates or which FCA or one or more FCA Affiliates is required to maintain as confidential on behalf of a third party, including brand or product information, designs, business plans, strategies or processes, business opportunities, procurement or supply business plans, strategies or processes, sales or marketing plans, technical plans, architecture or financial plans or strategies, research, development, know-how, personnel, sales information, customer information, marketing strategies, market forecasts, trade secret information, other information which could be construed to be useful to a competitor of FCA or one or more FCA Affiliates, and other information and FCA Data (collectively, the "**Confidential Information**").

g. Seller will not disclose, and will ensure that its employees, contractors, supplemental workers, Seller Suppliers, services providers, and any individual or entity providing goods on its behalf do not disclose, any Confidential Information or furnish copies of any written materials relating to the Confidential Information to any other person or entity, except to the extent that disclosure may be required by Law, or in order to directly perform Seller's obligations under a Purchase Order. If disclosure of Confidential Information is required in order to perform under a Purchase Order, then Seller will inform FCA that the disclosure of its Confidential Information is required and will obtain Approval prior to such disclosure. If FCA Approves such disclosure, Seller will advise the recipient of its confidential nature, and unless FCA requires otherwise, the recipient must execute a nondisclosure agreement satisfactory to and benefiting FCA as an intended third party beneficiary. If the disclosure of Confidential Information is required by Law, then Seller will provide FCA with written notice prior to disclosure containing (i) notice of the proposed disclosure, including to whom the Confidential Information will be disclosed, and (ii) a copy of the relevant Law or order pursuant to which Seller believes that Confidential Information must be disclosed, so FCA has an opportunity to obtain a protective order. Seller will not use the Confidential Information for its own benefit or for the benefit of any other person or entity, other than FCA. Immediately following termination of the Contract or a Purchase Order, Seller will return to FCA all Confidential Information in its possession or control, or in the possession or control of its employees, contractors, supplemental workers, Seller Suppliers, services providers or any individual or entity providing goods on its behalf, except Seller may retain one file copy of Confidential Information to the extent specifically required by applicable law. No license or other rights to the Confidential Information is granted to Seller.

h. The term Confidential Information does not include any information that (i) was lawfully in Seller's possession prior to any disclosure by FCA or an FCA Affiliate, as evidenced by Seller's written records, (ii) is or becomes generally available to the public other than as a result of disclosure in violation of the General Terms and Conditions or in violation of any other agreement benefitting FCA, or (iii) is received by Seller from a third party that has the right to disclose such information to Seller, except that FCA Data will be deemed Confidential Information notwithstanding anything to the contrary contained in this Agreement.

i. Seller will be responsible for any violation of the terms of this Section 37 by it and its Affiliates, and their respective employees, supplemental workers, Seller Suppliers, services providers and any individual or entity providing goods on its behalf. In addition to any and all other remedies that FCA may have at law or under the Contract, FCA shall be entitled to enforce the specific performance of this Section 37 and obtain temporary and permanent injunctive relief without the necessity of posting any bond. Seller will ensure that its Seller Suppliers are bound by obligations of confidentiality that are at least as strict as those set forth in the General Terms and Conditions and that names FCA is an intended beneficiary thereof.

38. Taxes.

a. United States:

i. Purchase Orders for shipment of goods or delivery of services to locations in the United States are exempt from state and local sales or use taxes when the goods or services purchased are for resale or used for

a tax-exempt purpose, such that no tax shall be invoiced by Seller. FCA's Office of Tax Affairs will provide an appropriate Certificate of Exemption upon Seller's written request.

ii. FCA has direct pay permits for certain states and assumes liability for payment of state and local sales or use taxes in certain states, such that no tax shall be invoiced by Seller where FCA has a direct pay permit. FCA's direct pay permit numbers (which are subject to change) for certain states and/or locations are as follows:

State	Company/Location	Direct Pay Permit #
Illinois 9/1/22)	FCA US LLC - Belvidere Assembly Plant	5572-5570 (Expires
Indiana 001	FCA US LLC - Kokomo Transmission Plant	TID-Loc # 0136356540-
Indiana 002	FCA US LLC - Kokomo Casting Plant	TID-Loc # 0136356540-
Indiana 003	FCA US LLC - Kokomo Engine Plant / ITP	TID-Loc # 0136356540-
Indiana 005	FCA US LLC - Tipton Transmission Plant	TID-Loc # 0136356540-
Michigan	FCA US LLC - Statewide	27-0187394
Michigan	FCA Transport LLC - Statewide	27-0197833
Michigan	Auto Transport Services LLC - Statewide	45-5062723
Ohio	FCA US LLC - Toledo Assembly Complex	98 002921
Ohio	FCA US LLC - Toledo Machining Plant	98 002923
Ohio	FCA Transport LLC	98 002954
Wisconsin	FCA US LLC - Statewide	008-1026854886-06

iii. When the goods or services in a Purchase Order are taxable in nature, the Purchase Order is subject to the applicable state and local sales or use taxes of the jurisdiction to where shipment is made. Except as set forth above for direct pay permits, the applicable sales or use tax amount must appear on all invoices by Seller as a separate line item.

b. Canada:

i. For shipments under a Purchase Order to locations in Canada, in jurisdictions that impose a federal and provincial sales tax on the goods and services purchased, the applicable goods and services under such Purchase Order are subject to the goods and services tax (GST) and in the harmonized provinces, the harmonized sales tax (HST), the Quebec sales tax (QST), and, if the goods or services purchased are not for resale or used for a tax exempt purpose, the provincial sales tax where applicable.

ii. If the goods and services purchased are not exempt from provincial sales tax and are purchased for resale or used for a tax exempt purpose, FCA Canada Inc's applicable sales tax registration numbers are as follows:

Province	Company	Registration #
British Columbia	FCA Canada Inc.	1000-9880
Saskatchewan	FCA Canada Inc.	1602309
Manitoba	FCA Canada Inc.	100963941MT0003

Accordingly, the goods and services purchased will not be subject to provincial sales taxes other than QST, where applicable.

iii. The GST/HST and the QST, as well as any provincial sales tax amount must appear on all invoices as separate line items and the GST/HST and QST numbers must appear on all invoices.

- C. Labor, transportation, and other charges must be shown as separate line items on Seller's invoice. Failure to comply with all of the requirements of this section may result in delay in payment and return of invoice to Seller.
- d. Income Taxes. Each Party shall be responsible for paying taxes on its income.
- e. Indirect Taxes. Each Party will be responsible, as required under applicable Law, for identifying and paying all taxes and other governmental fees and charges (and any penalties, interest, and other additions) that are imposed on that Party upon or with respect to the payments made under the Contract. All amounts payable by FCA and Seller are exclusive of applicable indirect taxes and duties, including, without limitation, VAT, excise taxes, sales and transaction taxes, gross receipts taxes, and any other similar non-income based taxes ("**Indirect Taxes**") imposed by applicable Law. Each Party will provide such information to the other Party as reasonably required to determine whether the other Party is obligated to collect Indirect Taxes from each Party. The Parties will not collect nor pay any such Indirect Tax or duty for which one Party furnishes the other Party a properly completed exemption certificate or a direct payment permit certificate or for which the other Party may claim an available exemption from Indirect Tax. For any payments made under the Contract that are subject to Indirect Taxes, the payee may charge and the payor will pay applicable Indirect Taxes that the payee is legally obligated to charge, provided that such Indirect Taxes are stated on the original invoice that the payee provides to the payor and the payee's invoices state such Indirect Taxes separately and meet the requirements for a valid tax invoice. If payee fails to include such Indirect Taxes on an invoice (or any corrected invoice), payee will be liable for any such Tax, including, without limitation, any penalties and interest associated with non-payment of such Indirect Tax.
- f. Withholding Tax. If FCA and Seller are required to withhold tax under applicable Law with respect to payments made to the other Party under the Contract, the Party shall deduct from such payments the required withholding tax and pay the other Party the resulting after tax amount. Such payments, reduced by any required withholdings, will constitute full payment. The paying Party shall remit any withholding tax to the applicable tax authority on behalf of the other Party and provide the other Party with certificates, receipts or other such evidence of such withholding tax payment as the case may be.
- g. "**Law**" means all applicable present or future local, state, federal or international law, statute, rule, regulation, code, ordinance, court order, compulsory process, decision, treaty, judgment or guidelines, including, without limitation, industry self-regulatory guidelines and principles, for any applicable jurisdiction(s).
- h. Tax Cooperation, Litigation, and Controversy. The Parties shall cooperate and shall use commercially reasonable best efforts to secure any available exemption from or reduction in any tax that may be imposed in connection with payments to be made pursuant to the Contract. If any taxing authority assesses or claims liability against FCA and Seller, for Indirect Taxes or withholding taxes, each Party will control its own defense against such assessment unless otherwise agreed upon in writing
- i. Withholding of Tax and Foreign Account Tax Compliance Act. FCA and Seller agree to provide complete and accurate United States Internal Revenue Service Form W-8BEN-E, Form W-8ECI, Form W-9, and/or tax residency certification as appropriate (or any applicable successor form), in a manner reasonably satisfactory to the other Party, (i) promptly upon reasonable demand of the other Party; and (ii) promptly upon learning that such form previously provided to the other Party has become obsolete or incorrect
- j. Tax Filings. Each Party represents, warrants, and covenants that it shall file appropriate tax returns and pay applicable taxes arising from or related to any payments made under this Agreement in all applicable jurisdictions.

39. Construction; General.

a. Any capitalized terms used in any Annex but not otherwise defined therein, shall have the meaning as defined in the Contract. Any singular term in the Contract shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes”, “including” or words of similar import are used in the Contract, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any law shall be deemed to refer to such law as amended from time to time or to its successor law.

b. Each party shall execute and deliver such additional documents and instruments and perform such additional acts as may be necessary or appropriate to effectuate, carry out, and perform all of the terms, provisions, and conditions of the Contract and the transactions contemplated thereby. Except as otherwise set forth in the Contract, the Contract is made solely and specifically among and for the benefit of the Parties thereto, their respective successors and permitted assigns and the specific persons and entities provided for in the Contract. No other person or entity will have any rights, interest, or claims thereunder or be entitled to any benefits under or on account of the Contract as a third party beneficiary or otherwise. The failure of any party to seek redress for violation of or to insist upon the strict performance of any agreement, covenant, or condition of the Contract will not constitute a waiver with respect thereto, except to the extent that such waiver is in writing, or with respect to any subsequent act. FCA WILL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES (OR “SPECIAL DAMAGES” AS DEFINED ABOVE) OF ANY TYPE ARISING OUT OF OR IN CONNECTION WITH THE CONTRACT, A PURCHASE ORDER OR ANY GOODS OR SERVICES, EVEN IF FCA HAS BEEN ADVISED BY SELLER OF THE POSSIBILITY OF THE DAMAGES AND EVEN IF SELLER ASSERTS OR ESTABLISHES A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED IN THE CONTRACT OR ANY PURCHASE ORDER. The Parties are independent contractors and nothing herein contained will be construed as creating any relationship of employer/employee, partnership, agency, joint venture, or otherwise between the Parties, nor will the Contract or any Purchase Order be construed as conferring on any Party any express or implied right, power, or authority to enter into any agreement or commitment, express or implied, or to incur any obligation or liability on behalf of any other Party. In addition, neither the Contract nor any Purchase Order will be construed as creating any relationship between one Party and the other Party’s employees. Accordingly, neither Party nor its employees will be entitled, as a result of the Contract or any Purchase Order, to any of the benefits under any employee benefit plan the other Party presently has in effect or may put into effect; nor will either party or its employees be considered employees of the other party for any purpose.

c. To the extent that the language or provisions in the Contract conflict, such conflict will be resolved in a manner that is most favorable to FCA, with the following guideline on the order of precedent: (i) the Policies; (ii) this Exhibit A; (iii) the Global GTCs; (iv) the face of the actual Purchase Order document; and (v) other documents making up the Contract other than the items in the foregoing subsections (i) through (v).

d. As permitted by Section 1.a above, FCA shall have the right to unilaterally amend the General Terms and Conditions at any time by publishing a new version on the Supplier Portal. Such amended General Terms and Conditions shall apply to all Purchase Orders accepted on or after the date of such amendment and to all releases issued by FCA after the date of such amendment under Purchase Orders existing on the date of such amendment.

ANNEX A

EXPEDITED RULES OF ARBITRATION

- a. For disputes involving claims that are less than Twenty-five Million Dollars (\$25,000,000), the number of arbitrators will be one. For disputes involving claims that are equal to or greater than Twenty-five Million Dollars (\$25,000,000), the number of arbitrators will be three (3). FCA and Seller will attempt to agree on the appointment of the arbitrator, in the case of a single arbitrator. In the case of a 3-person panel, each party will appoint one arbitrator. FCA and Seller will attempt to agree on the appointment of the third arbitrator, who will serve as chairperson of the arbitration panel. In the case of either a 1-member or a 3-member arbitration, if such agreement is not reached within five (5) business days of the referral to arbitration, the arbitrator (or third arbitrator, as the case may be) will be selected by the American Arbitration Association (“AAA”) pursuant to the AAA arbitrator selection process.
- b. The place of arbitration will be Detroit, Michigan, U.S.A., with Michigan-based arbitrators. The arbitral proceedings shall be conducted in the English language.
- c. Each party will submit a request for production of documents (and related electronic search terms) and identify custodians who may have knowledge or information regarding the dispute within twenty (20) business days of the referral to arbitration. Documents will be exchanged within seventy-five (75) days after the foregoing request. Third-party discovery will be permissible. All discovery issues shall be resolved by the arbitrator(s). Subpoenas and discovery-related orders issued by the arbitrator(s) will be enforceable by court order, and attorneys’ fees and costs incurred in connection with the enforcement of such orders will be awarded by the arbitrator(s) to the party that prevails in the request for such court order. No other written discovery will be permitted.
- d. Each party will be allowed to depose up to six (6) witnesses. Seller and FCA must submit a detailed disclosure of any proposed expert testimony (including findings and opinions) in a written report to be served within one hundred twenty (120) days after the referral to arbitration. After the disclosures and reports are issued, depositions of fact and expert witnesses may occur but each deposition may not exceed eight (8) hours.
- e. The hearing date will be scheduled within fifteen months after the referral to arbitration. The pre-hearing deadlines established in subsections (d) and (e) hereof may be modified by agreement of the Parties or direction of the arbitrator(s), provided that such modifications do not render impracticable the fulfillment of the fifteen month deadline set forth herein. Thirty (30) days prior to arbitration, Seller and FCA will submit proposed arbitration awards to the arbitrator(s), which will simultaneously be exchanged by Seller and FCA.
- f. Seller and FCA will each be limited to six (6) witnesses that are identified pursuant to subsection (e) hereof, together with two (2) rebuttal witnesses. Seller and FCA will exchange written direct testimony for each witness, exhibits, and pre-hearing briefs two (2) weeks before the hearing. The evidence at the hearing will be limited in scope to the exhibits and disclosures made at that time. The pre-hearing brief will address all issues of law, or such issues will be waived. The hearing will be limited to no more than three (3) days per party, with hearings on consecutive days (other than weekends and holidays).
- g. Witnesses at the hearing must be presented for cross-examination. (Affidavits will not be allowed). If a witness cannot attend the hearing in person, the proponent of that witness must have previously offered the other party the opportunity to cross-examine the witness under oath, in which case the deposition record will be admissible.
- h. The arbitrator(s) will choose one award from the submitted awards without modification.
- i. All statute of limitations and repose will be tolled upon the referral to arbitration and during the arbitration proceeding. The Parties will equally share the costs of the arbitrator(s). The arbitration process and results will be confidential. Judgment on the decision or award may be entered in any court of competent jurisdiction.

