

Spheros General Terms and Conditions of Purchase - India

1. Scope:

1.1 These General Terms and Conditions of Purchase apply to all India related purchases of Spheros, including moulds, toolings, other equipment, parts, materials used in production (raw materials, substances, parts, components) as well as works and services (hereinafter called "**Supply**" or "**Supplies**"). "Spheros" means Spheros Motherson Thermal System Limited, India and any Spheros Group company registered outside the Republic of India, placing the order to a supplier with its registered office in the Republic of India. The supplier delivering the Supplies under this GTP to Spheros shall be referred to as "Supplier" in this GTP.

1.2 These GTP shall also be applicable to all future business between the parties, even if not expressly agreed between them. Any Supplier general terms and conditions or any deviations from GTP shall not be applicable, unless they are confirmed by an authorized representative in writing and have been approved by the respective General Counsels' Office. This GTP shall automatically be applicable upon commencement of work on the Supplies.

2. Orders:

2.1. Purchase Order

2.1.1. All purchase orders placed by SPHEROS relating to Supplies ("Order") shall be subject to this GTP as well as to any other agreement additionally concluded and executed by and between the parties. Any modifications and amendments to any Order constitute a new offer, and as such need to be accepted by SPHEROS in writing.

2.1.2. Supplies must always be the subject of a Order, which will be valid either for an unlimited period of time (the "Open Order") or for a limited period of time (the "Closed Order"). Orders shall be made by ordinary post, e-mail, fax, or any electronic means that has been agreed upon.

2.2. Acceptance of the General Terms of Purchase

2.2.1. The General Terms of Purchase shall be deemed accepted upon receipt of the acknowledgment of receipt attached to the Order, which is to be returned to the Purchasing Department by the supplier (the "Supplier") by ordinary post, e-mail, fax, or any electronic means that has been agreed upon, at the latest within eight (8) business days from the Order date. Notwithstanding the foregoing, if Supplier fails to accept an Order in writing within 8 business days after it was issued by SPHEROS, SPHEROS shall have the right to revoke the Order. These General Terms of Purchase shall prevail over the Supplier's terms of sale except if more specific terms appear in the Order issued by SPHEROS. In the absence of an acknowledgment of receipt, the beginning of the performance of the Order shall be deemed an express acceptance of these General Terms of Purchase and shall automatically entail the Supplier's waiver of its own terms and conditions.

2.2.2. Acceptance of these General Terms of Purchase shall automatically mean that the Supplier undertakes to comply with the "Spheros Production System" and the "Spheros Quality System" and any other applicable policies, procedures & guidelines of SPHEROS, of which Supplier has been informed, as well as any other quality control procedure(s) that may be implemented during the Order if need be.

2.3. Supplier's Specific Obligations

- 2.3.1. The Supplier, a professional in its field, is perfectly aware of the demands and requirements of the automotive industry, in particular in terms of quality, cost, and deadlines. The Supplier shall ensure that the Supplies to be delivered are produced in accordance with the health, safety and environmental protection laws, regulations and standards and with the labour laws in force in each of the countries involved in their production. In particular, the supplier undertakes to comply with the regulations governing the prohibition of illegal employment and to provide, at SPHEROS's first request, the documents required under legal and regulatory provisions which certify that the supplier's employees are legally employed. In addition, the supplier will adopt in its business dealings the ethical rules set out in the United Nations Global Compact on human rights, labor standards, the environment and anti- corruption as well as the rules of Spheros Business Partner Code of Conduct (BPCoC). The commitment of the supplier to be familiar with and satisfy the requirements of BPCoC, and to comply with the rules and procedures established to implement the BPCoC, is a pre- requisite to continued business dealings between Spheros and the supplier. The BPCoC and its implementing rules are available at www.Spheros.com. Upon request, the supplier shall provide SPHEROS with evidence of the implementation of and compliance with the requirements arising from the BPCoC. Any breach of the compliance obligations laid down in the BPCoC shall entitle Spheros to extraordinary termination in accordance with Section 15.4 of these General Terms and Conditions of Purchase. The supplier shall indemnify Spheros and Spheros' customers against third-party claims arising from any breaches of these compliance obligations and shall bear all costs incurred by Spheros in this connection.
- 2.3.2. The Supplier shall deliver the Supplies in compliance with all of the other documents that govern the relations between SPHEROS and the Supplier in connection with the Supply and that are complementary to these General Terms of Purchase, in particular the drawings, specifications, list of requirements, SPHEROS Requirements Files and the like (the "Documents").
- 2.3.3. Supplier shall not make any changes or modifications, including but not limited to its components, materials, processes or place of manufacture in relation to the Supplies without the prior written approval of SPHEROS.
- 2.3.4. Notwithstanding anything contained elsewhere, following the purchase of the Supplies and transfer of ownership, the proprietary rights relating to any changes, modifications or improvements done to the Supplies, their raw materials or sub-components shall always vest in SPHEROS, irrespective of whether they are registered or unregistered and the Supplier shall have no objection to such vesting.
- 2.3.5. Upon SPHEROS's request, the Supplier shall:
- 2.3.5.1. make the appropriate modifications to the Supply(ies)
 - 2.3.5.2. provide any and all information about the Supplies or the Order
 - 2.3.5.3. and attest to the county of origin of the Supplies and the composition of what is used in taking the Supplies
- 2.3.6. within 7 days of the receipt of any such a request.
- 2.3.7. The Supplier agrees to deliver the Supply for the needs of the market particularly dealing with spare part dealers for a period of ten (10) years after the sale of the last vehicle of the model(s) in the range on which said Supply was installed. During the tenth year of such period (Alternatively, end of such other agreed period), SPHEROS and Supplier shall, at

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

- 2.3.8. In order to permanently maintain the competitiveness of both the Supplies and the SPHEROS products in which said Supply is used, the Supplier agrees to implement measures to increase technical productivity continuously. The minimum level of annual productivity for the Supply shall be established by mutual agreement.
- 2.3.9. Supplier represents and warrants that it will comply in all respects, and will cause its subcontractors and suppliers to comply in all respects, with SPHEROS's quality requirements and procedures included in the quality manual which may be separately provided by SPHEROS group entity including any amendments therein made from time to time.
- 2.3.10. Supplier, as a fully competent expert in the design, development and/or manufacture of the Supplies, will promote continuous improvement in its quality, manufacturing and logistics processes in compliance with the international state of the art for the industry and with any applicable laws and/or regulations in force in each country where the Supplies shall be manufactured, used or sold.
- 2.3.11. In particular, Supplier shall participate in any supplier quality programs of SPHEROS and SPHEROS's customers that may apply to the Supplies described in an Order. Supplier agrees to meet the full requirements of any applicable approval processes as specified by SPHEROS and/or SPHEROS's customers, and agrees to present evidence of compliance to SPHEROS upon request.
- 2.3.12. Acceptance of the Order shall automatically bind the Supplier to strictly comply with the delivery deadline shown either on the Closed Order or on the delivery schedule sent by EDI, Web EDI, or by fax, in the event of an Open Order. No early delivery shall be accepted without prior agreement and expenses relating thereto shall be borne by the Supplier.
- 2.3.13. The Supplier shall strictly adhere to the delivery deadlines and shall deliver the supplies within the specified delivery deadlines.
- 2.3.14. The Supplier shall indemnify and compensate SPHEROS for all direct or indirect costs resulting from a failure to respect the delivery deadline, in particular those related to shutdowns of production or assembly lines at SPHEROS's facilities or those of its customer(s). Furthermore, SPHEROS shall have the option of canceling the Order in accordance with Article 15.2 herein.

3. Intellectual and Industrial Property Rights

- 3.1. The Supplier warrants that the sale and use of the goods supplied shall not infringe patent, trade mark, industrial design, copyright or other intellectual property right of a third party, or require payment of royalties to any third party. The Supplier shall be personally responsible for

the validity of the intellectual and industrial property rights related to the Supplies, as well as the free use of the Supplies as regards the intellectual and industrial property rights of any third party. The Supplier guarantees that the Supplies do not infringe any third-party intellectual property rights and accepts and undertakes to fully indemnify and hold SPHEROS harmless in relation to any claim lawsuit, expense and, in general, any direct and indirect damages and costs derived from the infringement of any such rights.

- 3.2. In the event a third party or any authority initiates proceedings requesting that the use, marketing, or sale of the Supplies be forbidden, limited, seized or modified, the Supplier shall be solely liable for the consequences resulting from these proceedings that may give rise to payment of damages, including any negative effect they might have on SPHEROS's corporate reputation. The Supplier shall indemnify and compensate SPHEROS for all damage sustained as a result of the partial or total failure to perform any contract(s) binding SPHEROS to its customer(s) in relation to the Supplies), including any damage payments that SPHEROS might owe to its customer(s) for failing to fulfill its commitments and the extra cost caused by any modification needed for the Supplies and/or the tools involved.
- 3.3. Furthermore, SPHEROS shall have the option of canceling the Order in accordance with Article 15.2 herein in the event of failure by the Supplier to comply with the above obligations.
- 3.4. In the event the Order is cancelled for any reason whatsoever, the Supplier hereby authorizes SPHEROS to complete or cause to be completed the tools and equipment already delivered in order to ensure or cause to be ensured their maintenance and/or to manufacture the parts for which they are intended, notwithstanding any intellectual and/or industrial property rights which the Supplier may claim in relation thereto. The Supplier hereby waives using against SPHEROS or any third party mandated by SPHEROS any intellectual property rights in connection with the aforesaid tools and equipment. Furthermore, the Supplier shall, at first request, also provide all drawings, technical documents and know-how related to the tools, equipment, and/or parts.
- 3.5. Supplier shall grant SPHEROS and its customers the worldwide and irrevocable right to use, perform, display, reproduce, repair, have repaired, reconstruct, have reconstructed, rebuild, distribute, modify, make derivative works of, make, have made, sell, offer to sell, import, export, and otherwise exploit the Supplies delivered under an Order without any additional payment of any royalty or other compensation to Supplier.
- 3.6. Unless otherwise agreed in writing, all Products or other deliverables provided under an Order, and all intellectual property rights acquired or developed by either Supplier or SPHEROS's in connection with the Supplies or in connection with an Order, are owned exclusively by SPHEROS.
- 3.7. During the pendency of any force majeure event that lasts for longer than 30 (thirty) days, Supplier hereby grants to SPHEROS or to SPHEROS's customers a nonexclusive, royalty free license to use any and all of Supplier's intellectual property rights with respect to the Supplies, including the right to sublicense to others.

4. Prices, Invoicing, and Payment Terms

4.1. Prices

- 4.1.1. Applicable prices shall be those shown on the Order. They shall be firm and shall be understood to be "Delivery Duty Paid", or "DDP", (as defined in ICC Incoterms 2010) or as agreed in writing by the Parties during the Supply award process.

4.2. Invoicing and Payment Terms

4.2.1. All the details shown on the Order that allow the Supplies to be identified and checked shall be shown clearly on the invoice. The invoice must mandatorily be sent to the address shown on the face of the Order.

4.2.2. Unless stipulated otherwise, the Supplies shall be payable by bank-to-bank transfer ninety (90) days from the date of issuance of the invoice. SPHEROS shall have the option of offsetting amounts owed to it by the Supplier for any reason whatsoever in connection with the Order.

5. Quantity

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

5.2 Supplier shall ensure the delivery of the Supplies is in line with the quantities ordered by SPHEROS. In case of non-compliance with the ordered quantities of the Supplies, Spheros shall have the right, without prejudice to any rights set forth in this GTP, to: (i) accept the delivery, even with the incorrect quantities, and change the quantities of future orders accordingly in case it is deemed to be necessary; or (ii) reject the quantity in excess, with over shipments to be returned to Supplier at Supplier's sole risk and expense, and with the stock costs to be charged to Supplier; or (iii) request Supplier to immediately deliver any missing quantity of the Supplies, it being agreed and understood that any additional costs or expenses resulting from the necessary immediate replenishment of the missing quantities shall be charged to Supplier.

6. Packaging and Shipping Documents

6.1 The Supplier shall deliver the Supplies in a packaging that is adapted to the type of Supplies involved, the way they are shipped, and the way they will be stocked, in order to deliver them in perfect condition.

6.2 Each packaging unit must legibly show on the outside the notices required by applicable packaging and labeling laws and regulations as well as those required by SPHEROS or its customer and those required by the applicable shipping regulations, or any other mode of carriage as well as any instructions for special conditions required for stocking or storage. These notices shall show the Order number, the batch number, the exact name of the Supplies, the sender and recipient's exact names and addresses, the quantity delivered, and the gross and net weight. Two (2) exact copies of the delivery slip shall accompany the delivery and shall enable the Supplies to be identified, checked as to their quantity, and if applicable, shall include any material safety data sheets.

6.3 Supplier shall pack and ship products in accordance with SPHEROS's instructions and shall apply labeling and hazardous materials instructions as required under the specific laws. Even if SPHEROS has not provided packing or shipping instructions, Supplier shall pack and ship the Supplies in accordance with sound commercial practices and as per the requirements provided

under the specific conditions of the transport and delivery.

- 6.4 The Supplier shall assure that the Harmonic System Code (HS Code) is agreed with the concerned SPHEROS user Site before any start of Supply to that Site. Supplier shall also ensure that it has validated with the customs authorities of any pertinent export country have approved the content and veracity of an applicable Certificate of Origin (COO). The HS Code and COO are mandatory for customs duty requirements.
- 6.5 The Supplier shall be financially responsible for any damage (breakage, missing items, partial damage, etc.) to the Supply as a result of inappropriate or inadequate packaging.
- 6.6 If Supplier fails to meet an agreed delivery date, SPHEROS may require shipment of any of the Supplies by a more expeditious method of transportation, and Supplier will bear the cost of such transportation in any such event. It is Supplier's sole responsibility to comply with the shipping instructions provided SPHEROS or its customer. Supplier shall pay any and all costs incurred by SPHEROS as a result of Supplier's failure to comply with the shipping or delivery requirements, including costs charged by SPHEROS's customers. Supplier will continue to work on recycled packing solution if technically and commercially feasible.

7. Delivery

- 7.1. Supplies shall be delivered to the place of delivery and shall strictly adhere to the delivery date stated on the Order. Any revision to delivery schedule shall be as per written mutual agreement only. Compliance with any delivery date or period shall depend and be based on the moment of receipt of the Supplies by the receiving SPHEROS plant or to the address designated by SPHEROS during regular normal working hours. Any failure to comply with the Delivery Schedule will be treated as a breach of this GTP.
- 7.2. Supplier shall inform SPHEROS immediately about any impending delay in delivery, including the estimated duration of the delay, the estimated time of actual delivery, and the events which may lead to delay in delivery of Products. The provision of this information by Supplier and its reception by SPHEROS shall not be deemed to be understood as any kind of waiver by SPHEROS in regard to its rights and entitlement as set forth in this GTP. Supplier is obliged to compensate SPHEROS for all the damages caused by any missed or delayed delivery to the fullest extent permitted by law. In the event that Supplier is in default due to the delivery date having been exceeded, SPHEROS will be entitled to demand a contractual penalty equivalent to 0.5% of the corresponding order value for each week of delay (including partial weeks), provided that the total penalty amount shall not exceed 5.0% of the corresponding Order value. In addition, SPHEROS may also claim from supplier the penalty amounts levied by its customer on SPHEROS due to this delay. SPHEROS's right to assert claims in relation to any other damages shall remain unaffected.
- 7.3. In addition to the foregoing, in case of delays in delivery by Supplier, SPHEROS shall have the right to: i. refuse to take any subsequent attempted delivery of the Supplies ii. procure elsewhere, at any time, in whole or in part, the Supplies ordered at Supplier's cost and risks, with the sole obligation of notifying the Supplier; and/or, iii. if the missing or delayed delivery causes an interruption of production or incompleteness of SPHEROS's final product, charge Supplier the consequential costs, including fixed costs and labour costs associated with labour that was not utilized and/or additional labour as may have been necessary for the recovery. All the above does not prejudice SPHEROS's right to claim for compensation in relation to any additional damage incurred, including in the event that Supplier's missing or delayed delivery jeopardizes SPHEROS's ability to comply with any contractual commitments towards its customers.

- 7.4. SPHEROS may specify the mode of transportation, the type and number of packing slips and other Documents to be provided with each shipment.
- 7.5. SPHEROS reserves the right to refuse the Supplies by ordinary letter, fax, or any other electronic means agreed upon in the event the delivery deadline is not respected or that delivery is incomplete or contains more Supplies than ordered or does not comply with the Order and/or the Documents.
- 7.6. Any Supply that is refused shall be returned to the Supplier in the same manner as it was supplied at Supplier's own expense and risks within eight (8) days from the date of the notice of refusal of delivery.

8. Warranties

- 8.1. The Supplier, an expert in its field, is bound by an absolute and determinate result as regards the Supplies and in connection with this, assumes full responsibility and liability for the Supplies, their design, the manufacturing processes used to produce them, the technical choices to be implemented for their production, and their fitness for the particular purpose for which they are intended. The Supplier warrants that it is perfectly aware of this, no matter what assistance SPHEROS may have provided during the development stage of the Supplies.
- 8.2. The Supplier warrants the Supplies against any non-conformity to the General Terms of Purchase or the Order and/or the Documents from the time of delivery, whether the defect is the result of an error in design, materials, or manufacturing, as more generally, against any hidden or obvious defects.
- 8.3. Should SPHEROS, its customer(s), or competent authorities decide to recall a Supply or a product in which any Supplies have been used, the Supplier shall indemnify SPHEROS for all damage sustained and/or shall replace the Supplies with conforming product, if requested by SPHEROS
- 8.4. The Supplier shall indemnify, hold SPHEROS harmless and defend from any economic loss, personal injury, costs, expenses, material, consequential and incidental damages or any third-party claims, including any damage to SPHEROS's reputation, and shall indemnify SPHEROS against any direct and indirect costs arising out of breach of Supplier's obligation to deliver Supply free from defect or that which does not conform to the Order, and if applicable, out of related breach of SPHEROS's obligations to its customer(s) (reimbursement or free replacement of the defective Supply, labor expenses, sorting, interim costs, exceptional shipping, line stoppage at SPHEROS or at the facilities of its customer(s), yard campaigns, recalls, penalties, cost of ordering Supplies from a third part, including tools, etc.). Any provision that might limit or decrease this liability is null and void.

9. Insurance

- 9.1 The Supplier shall take out an insurance policy with a reputedly solvent insurance company approved by SPHEROS, in compliance with SPHEROS conditions and shall provide proof thereof at first request. This insurance shall in no event constitute a limitation of the Supplier's liability to SPHEROS or third parties.
- 9.2 Supplier shall procure and maintain adequate insurance policy covering the following:
 - 9.2.1 liability derived from a breach of Supplier's obligations to SPHEROS. This may include but is not limited to covering any damages derived from defects, late or incomplete deliveries or any



Third Party Liabilities, damages to SPHEROS's Property, bodily injury and property and personal damages derived from the supply of defective Supplies and, in short, any charge which can be substantiated by SPHEROS to Supplier associated with Supplier non-conformities, Supplies rejections or Supplies returns as a result of noncompliance with the corresponding specifications, standards, designs, drawings and SPHEROS instructions in general.

- 9.2.2 risks to Supplies, goods, machinery and materials in its possession or under its responsibility, including but not limited to risks associated with any fire, flood, explosion, civil commotion, natural disaster of any kind, and loss or theft of material. For the sake of clarity, the insurance policy shall cover any Supplies, goods, tools or other equipment located in the Supplier's premises, even if owned by SPHEROS or its SPHEROS's customers.
- 9.2.3 property damages to the Supplies during or as a consequence of their transportation, regardless of the means of transportation.
- 9.2.4 Supplier shall provide evidence of such insurance coverage at Supplier's request.

10. Non-transferability/Subcontracting:

- 10.1 The Supplier may not sell or transfer all or any part of the Order, even free of charge, without SPHEROS's prior, express authorization.
- 10.2 In the event direct or indirect control of the Supplier is changed or its business is sold or transferred, SPHEROS shall have the option of canceling the Orders in progress in accordance with Article 15.2 herein.
- 10.3 The Order may not be subcontracted by the Supplier, whether in full or in part, directly or indirectly, without SPHEROS's prior, express authorization.
- 10.4 Should the Supplier be authorized to sub-contract all or any part of the Order to a third party, the Supplier shall remain solely and fully responsible and liable to SPHEROS for performance of the Order and these General Terms of Purchase. The Supplier shall compensate and hold SPHEROS harmless from any claim from the subcontractors.

11 Confidentiality:

- 11.1 All information provided to the Supplier by SPHEROS or any of its affiliates or representatives, including, but not limited to, technical, industrial, commercial, or financial information no matter how said information may have been provided (orally, in writing, or other), including but not limited to the designs, drawings, descriptions, specifications, reports, microfilms, computer disks, software and documentation related thereto, samples, prototypes, etc. shall be confidential (the "Information").
- 11.2 The Information shall also include information of which the Supplier's employees or agents, suppliers, subcontractors, representatives, and/or permanent or temporary collaborators may become aware during the Order.
- 11.3 The Information may only be used in connection with the Order. The Supplier shall take all measures to ensure that no Information is disclosed or revealed to a third party.
- 11.4 Any failure to comply with this obligation of confidentiality shall result in the Termination/Cancellation of this GTP.
- 11.5 This obligation of confidentiality shall remain in effect for a term of five (5) years after

termination of the Order for any reason whatsoever. Once the Order is finished, the Supplier shall, at first request, return to SPHEROS all Documents related to the Order, whether confidential or not, without keeping any copy unless SPHEROS has granted its prior, express authorization to do so.

12 Transfer of Ownership/Risks:

- 12.1 Upon identification in the Order of Supplies for production of the Supplies (raw materials or semi- finished products) and at the latest when the Supplies are completed, the Supplies shall become the exclusive property of SPHEROS. Any stipulation reserving ownership rights shall be null and void. The Supplier hereby agrees to use all means to individualize said Supplies, i.e., the Supplies shall be as per the specifications provided in the Order.
- 12.2 During the Order and prior to delivery, SPHEROS reserves the right to audit all manufacturing processes for the Supplies and the Supplies themselves on the Supplier's premises or those of its subcontractors, if applicable. The Supplier hereby agrees to grant SPHEROS free access to its premises at any time and to ensure that SPHEROS has free access to its subcontractors' premises and to give SPHEROS the possibility of testing the Supplies without said testing limiting in any way the Supplier's liability or warranties at its own cost.
- 12.3 Risks of loss of the Supplies shall be transferred when delivery of the Supplies is accepted, no matter what delivery conditions may be shown on the Order. In case the Supplies are delivered in consignment stock, the transfer of ownership shall be deemed to happen at the time of the withdrawal and acceptance of the corresponding Supplies from the warehouse.

13 Molds, Tools, and Other Specific Equipment:

- 13.1 All molds, tools, and other specific equipment provided by SPHEROS for the needs of the Supplies (the "Equipment") shall remain SPHEROS's exclusive property. The same shall be true for Equipment (created at SPHEROS's request) and on its behalf at Supplier's costs, as it is created, including the related industrial or intellectual property rights.
- 13.2 In all cases, the Equipment shall be deemed to have been left on deposit at the Supplier's premises for the purpose of the Order, even in the absence of any specific loan agreement or deposit slip. The Equipment may only be used for the needs of the Order and may not be lent, made available to a third party, reproduced, or copied. At the Supplier's expense, the Equipment shall be marked by an easily visible non removable identity plate that shall state "Property of SPHEROS – may not be sold, transferred, or pledged" and it may not be pledged and/or granted as security. The Equipment may be taken back by SPHEROS at any time.
- 13.3 As bailee of the Equipment, the Supplier shall warrant its perfect servicing, well-keeping, verification, and maintenance so as to prevent in particular any deviations in the manufacturing process or breakdown in supply, and shall provide a precise and detailed inventory of it at SPHEROS's first request and as often as necessary. Likewise, the Supplier shall be responsible for replacing the Equipment in the event of loss, theft, destruction, or premature wear and tear. In connection with this, the Supplier shall take out all necessary insurance policies covering risks and damage that the Equipment may cause to third parties and shall provide proof of said insurance at SPHEROS's first request.
- 13.4 Upon termination of the Order for any reason whatsoever, the Equipment shall be returned

to SPHEROS in full ownership at SPHEROS's first request.

14 Force Majeure:

- 14.1 Neither party shall be in breach of its contractual obligations nor liable for any damages for delay in performing, or failure to perform its obligations under the GTP, if such delay or failure results from a Force Majeure event (as such term is hereinbelow defined).
- 14.2 “Force Majeure” shall mean any circumstance beyond a party’s reasonable control and which, by exercise of reasonable diligence, a party is unable to foresee, prevent or overcome, and which objectively prevents a party from performing its contractual obligations, including acts of God, floods, windstorms, pandemics or other natural disasters, explosions, riots, Governmental actions, wars, terrorist attacks and sabotage. For the avoidance of doubt, shortage of raw materials, labour disruptions, strikes, lockouts and slowdowns affecting Supplier's facilities shall not give rise to declare Force Majeure hereunder.
- 14.3 In such circumstances, the relevant deadlines or time periods for the performance of the relevant obligations shall be extended by a reasonable period of time as may be agreed in writing by both the Parties, taking into account the duration and severity of the relevant event, circumstance or cause, and any initial set-up or implementation phase required to carry out the obligations.
- 14.4 Each party shall take all required measures to minimize to the best of its ability the consequences of any Force Majeure event. Written notice of the happening of Force Majeure event including the anticipated duration of the delay must be given by the nonperforming party immediately and at the latest within 5 Days from the date of occurrence of such event. If the impediment to perform can be overcome, even if financially more burdensome, the failure to perform is not excusable and shall lead to the respective party’s liability for damages arising from the non-performance.
- 14.5 If the Force Majeure event lasts more than (30) days, SPHEROS may, among its other remedies, immediately cancel any relevant Orders without liability and procure replacement Products from alternative sources, further provided that SPHEROS may get the supplies during the agreed time period from some other sources.

15 Termination – Cancellation:

15.1 Termination

- 15.1.1 The Open Order is placed for an unlimited period of time and the quantities for which SPHEROS commits itself shall be those shown on the delivery schedules. SPHEROS may terminate the Open Order at any time by registered letter with return receipt subject to prior notice of three (3) months without prejudice to any of its rights. The notice period may be reduced by express agreement of the parties in the event of an emergency. During the notice period, the Order must be performed in accordance with the contractual terms and conditions that are in effect at the time of notice of termination is sent, in particular regarding price. Termination of the Order shall not give rise to any indemnity or compensation being owed to the Supplier for any reason whatsoever.
- 15.1.2 SPHEROS may terminate this GTP with immediate effect for the following reasons: i)

Supplier fails to comply with applicable laws and regulations, or ii) Supplier becomes insolvent, or upon filing of a petition initiating insolvency proceedings, or if Supplier gets dissolved, liquidated or ceases its business activity; or if Supplier transforms its legal status, iv) SPHEROS's customer prematurely terminates a running program related to the Supplies, v) pursuant to any direction or Order from any Governmental Authority or any change in Applicable Law or government policy is made which prevents or significantly impairs the implementation of this GTP or the performance by the Supplier of its obligations under this GTP and vi.) Change of Control of Supplier i.e. Change of Control of Supplier includes: (a) the sale, lease or exchange of a substantial portion of the Supplier's assets used for the production of the Goods; (b) the sale or exchange of a controlling interest in the shares of the Supplier or its Holding company; or (c) the execution of a voting or other agreement of control.

15.1.3 The Closed Order is placed for a limited period of time and may not be renewed.

15.2 Cancellation

The Order shall be terminated upon SPHEROS's notice in writing by way of a registered letter with return receipt to the Supplier if the Supplier fails to perform or observe any of its contractual obligations, provided that the Supplier fails to remedy in part or in total such breach within eight (8) days of receipt of such notification requiring it to do so. SPHEROS shall have the right to pursue any and all remedies for such breach as are permitted by applicable law.

15.3 Upon termination/cancellation of the business relationship, Supplier shall take following actions:

- 15.3.1 Take all actions necessary to protect SPHEROS's property in the possession of the Supplier or its Suppliers and/or subcontractors;
- 15.3.2 Cooperate with SPHEROS to avoid production disruptions while the production of the Supplies is being resourced to another supplier;
- 15.3.3 Cooperate to supply spares parts for agreed period identified in the above clauses, from the date of termination/ expiration of the GTP, Order or programme or aggregate cancellation.
- 15.3.4 Transfer title and possession of the Supplies, SPHEROS's property, Supplier -Owned tooling, work-in-process and raw materials that SPHEROS has agreed to acquire from the Supplier and return tooling and other property of Spheros;
- 15.3.5 Terminate all Orders and subcontracts related to work to be performed after the effective date of any expiration or termination; and
- 15.3.6 Cease all work under this GTP unless directed otherwise by Spheros.
- 15.3.7 destroy all of its stock of unused corporate material, packaging, note papers and other unused papers on which the trademark, logos of Spheros or its customer appears.

15.4 Termination for cause

Both Parties are entitled to terminate a contract for the performance of a continuing obligation for cause, without notice. If the cause is a breach of a contractual duty, termination is generally only permitted after an adequate period granted to remedy the situation remains unremedied or after unsuccessful warning.

16 Customs, Certificates of Origin, Value Added Tax Certificates, Export Restrictions:

16.1 Supplier shall comply with all applicable customs-related laws and governmental agency rules and regulations related to the import and export of the Supplies, including, but not

limited to, those related to documentation and invoicing, free trade agreements, country of origin marking or labelling, local content requirements and cargo security. Any and all benefits and credits resulting from Supplier's performance under an Order issued by SPHEROS, including but not limited to trade credits, export credits, customs drawbacks, and rebates of taxes and fees, shall accrue for the benefit of SPHEROS, unless otherwise stated in an Order or prohibited by applicable law. Supplier shall immediately provide SPHEROS with the duly signed certificates of origin upon request by SPHEROS, including all required information. The same applies to all value-added tax certificates in case of foreign and domestic deliveries. Supplier shall immediately inform SPHEROS if a delivery is wholly or partly subject to export restrictions under any applicable law.

17 Indemnity:

- 17.1 The Supplier shall indemnify, defend and hold harmless SPHEROS, its group company and their directors, officers, employees, subcontractors, customers, personnel, representatives subsidiaries, affiliates and agents (each, an Indemnified Party) to the fullest extent permitted under Applicable Law from and against any and all Claims, actions, liabilities, costs, charges, expenses, penalties, damages, losses, suits or proceedings of whatever nature made, suffered or incurred, including, any legal or other fees and expenses actually incurred in connection with investigating, disputing, preparing or defending any action or Claim (collectively, Losses), resulting from or arising out of a breach by the Supplier of this GTP or any misrepresentation or misstatement by the Supplier in this GTP including any Losses incurred by an Indemnified Party.
- 17.2 Supplier shall be responsible for any damage caused to third person or property as a consequence of the Supplies supplied by Supplier and attributed directly to it, especially those which are considered as safety items. In such cases Supplier and SPHEROS shall consult each other to arrive at a solution of the issue.
- 17.3 The Supplier agrees to defend, indemnify and hold harmless SPHEROS, its group company and the Indemnified Party against all Claims for injury or damage to any person or property, arising out of the delivery of the Supplies by the Supplier, its subcontractors or representatives under this GTP.
- 17.4 The Supplier shall be directly liable for any losses, Claims or proceedings resulting due to any manufacturing defect or deficiency in the Supplies supplied by it to SPHEROS, or from the Supplier's breach of its obligations under this GTP, including, but not limited to, Claims for: (a) bodily injury, including death, or (b) physical injury to or destruction of property.

18 Miscellaneous:

- 18.1 If any of the provisions of these General Terms of Purchase shall be held invalid or unenforceable, the remaining provisions shall remain in full force and effect.
- 18.2 Failure by SPHEROS at any time to exercise any of its rights under these General Terms of Purchase, the Order and/or the Documents shall not be deemed a waiver thereof, nor shall such failure in any way prevent SPHEROS from subsequently asserting or exercising such rights.
- 18.3 Supplier shall ensure compliance with applicable laws, regulations, guidelines related to including but not limited to environmental, data protection, anti-bribery & anti-corruption etc in the jurisdiction in which it operates & delivers the Supplies.

- 18.4 The Supplier shall make no reference to its commercial relations with SPHEROS or Spheros group and/or use any of their trademarks or logos without SPHEROS's prior, express authorization and Spheros's express written consent.
- 18.5 Unless otherwise agreed by the parties on the dispute resolution the exclusive place of jurisdiction for any and all disputes arising out of or in connection with this GTP shall be subject to exclusive jurisdiction of courts at New Delhi. This GTP shall be governed by and construed in accordance with the laws of India. The Vienna Convention of 1980 on the International Sale of Goods is expressly excluded.
- 18.6 Any notice or other communication required or permitted under the General Terms of Purchase must be in writing and shall become effective on the date of actual receipt if the date of actual receipt is a business day or on the next business day if the date of actual receipt is not a business day.
- 18.7 The rights and remedies available to SPHEROS in this GTP are cumulative and are in addition to all other or further remedies provided at law or in equity. Without limiting the generality of the foregoing, Supplier acknowledges and agrees that monetary damages would not be a sufficient remedy for any actual, anticipatory or threatened breach of this GTP by Supplier with respect to delivery of Supplies to SPHEROS and that, they are in addition to all other rights and remedies that SPHEROS may have, SPHEROS shall be entitled to specific performance and temporary, preliminary and permanent injunctive or other equitable relief as a remedy for any such breach, without proof of actual damages and without bond or other security being required.
- 18.8 The parties are independent contractors. This GTP does not create any agency, employment, partnership, joint venture, franchise or other similar or special relationship between the Parties, and nothing contained in the GTP shall be construed to make either party an agent, partner, representative or principal of the other for any purpose. Neither party will have the right or authority to assume or create any obligations or to make any representations, warranties or commitments on behalf of the other party, whether express or implied, or to bind the other party in any respect whatsoever.
- 18.9 Supplier recognizes the importance of social and environmental responsibility and aims to protect universal human rights, eliminate forced labour, abolish child labour, eliminate discrimination in respect of employment and occupation and strive for continual improvement in its environmental performance along its entire supply chain. Supplier's corporate activities and those of its suppliers shall therefore take account of the social responsibility to employees and society by following principles such as the following:
- 18.9.1 preservation of human dignity;
 - 18.9.2 ban on child and forced labour;
 - 18.9.3 implementation of equal opportunities;
 - 18.9.4 no discrimination or harassment;
 - 18.9.5 maintenance of adequate social working conditions;
 - 18.9.6 freedom of association;
 - 18.9.7 maintenance of employability by basic and advanced training;
 - 18.9.8 prevention of corruption; and
 - 18.9.9 compliance with all current laws and regulations.
- 18.10 Supplier shall further introduce and maintain an effective environmental system in accordance with or comparable to ISO 14001 or the applicable legislation. The Supplier shall be liable for the environmental compatibility of the Supplies delivered and the packaging



material used as well as for any consequential damage deriving from noncompliance with their statutory waste disposal obligations.

18.11 SPHEROS expects Supplier to comply with all relevant laws relating to environment, sustainability, anti-fraud and anti-corruption of any country and region in which Supplier operates and SPHEROS's plants to which Supplier delivers operate.

18.12 SPHEROS may audit Supplier in order to ensure Supplier's compliance with all requirements listed in this Section. If SPHEROS identifies Supplier failures during the audit process, SPHEROS may, at its own discretion without any liability, terminate the relevant Order or decide to impose a BOH (business on hold) status upon Supplier. Furthermore, Supplier shall inform its own suppliers of the content of these obligations, in order for the same to be included in the applicable contracts within the entire supply chain.