



SPHEROS North America, Inc  
General Terms and Conditions of Purchase  
Version June 2024

**1. Scope**

- 1.1 These General Terms and Conditions of Purchase apply to all SPHEROS North America, Inc (hereinafter called "Spheros") purchases, including molds, toolings, other equipment, parts, materials used in production (raw materials, substances, parts, components) as well as works and services (hereinafter called "Supply" or "Supplies" alternatively "Delivery" or "Deliveries"). All Spheros orders are placed subject exclusively to these General Terms and Conditions of Purchase, even if specific reference is no longer made to them in future because of a long-term business relationship, unless otherwise specifically agreed on a case by case basis. Such specific agreements can arise from the order itself or be recorded in separate written agreements such as the Spheros Request for Quotation. Changes to these General Terms and Conditions of Purchase, in particular, conflicting and supplementary terms and conditions of the supplier, are herewith excluded. Silence from Spheros regarding any reference to the supplier's or other conflicting terms and conditions while confirming an order shall not be deemed an acceptance thereof. Such terms and conditions shall not become valid for Spheros even if the order is fulfilled. As such, the supplier acknowledges these General Terms and Conditions of Purchase when fulfilling the order. Any deviation to these General Terms and Conditions of Purchase included in an order confirmation shall be considered as a rejection of the Spheros order. Should supply occur nevertheless, this shall be deemed acceptance of these General Terms and Conditions of Purchase as stated above.
- 1.2 The term "Order" means the purchase order issued by Spheros and incorporates by reference not only its content, but also these General Terms and Conditions of Purchase, the documents that define the characteristics of the Supply (drawings, specifications, list of requirements and other details) and documents that contain other contract provisions (hereinafter together called "Contract

Documents").

## **2. Orders**

- 2.1 Supplies must be covered by an Order. This can either be a firm Order (in the form of individual Orders, limited or unlimited in time) or an open Order (in the form of an Order limited or unlimited in time). The Order can be placed by mail, by email (as an attachment), by EDI or in any other electronic means agreed upon. The supplier accepts the Order by sending an Order confirmation in writing or via email within two (2) working days of the Order date. Should the Order confirmation not be received on time or contain changes, Spheros reserves the right to cancel the Order with no costs, unless the conclusion of contract has failed anyway. Any Order the receipt of which is not acknowledged but which is performed by the supplier, in full or in part, will be considered to be accepted.
- 2.2 Supply quantities specified in an open Order are merely indicative and do not constitute a firm commitment on the part of Spheros. In this case, Supplies rather occur on the basis of call-off Supplies which state the Supply quantity and the Supply date. Call-off Supplies shall be binding for the supplier.

## **3. Specific obligations of the supplier**

- 3.1 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 labor 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' 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 Spheros Code of Conduct and Ethics, 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](http://www.spheros.com). Upon request, the supplier shall provide Spheros with evidence of the implementation of and compliance with the requirements arising from the Spheros Code of Conduct and Ethics. Any breach of the compliance obligations laid down in the Spheros Code of Conduct and Ethics shall entitle Spheros to extraordinary termination in accordance with Section 14.2 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.

- 3.2 As a professional in its field, the supplier shall provide Spheros with such recommendations and warnings as are necessary or relevant to the quality and security of Supplies, to make recommendations in view of the use for which the Supplies are intended, and to make proposals likely to improve the quality or the cost of the Supplies.
- 3.3 As a professional in its field aware of the constraints of the automotive industry, particularly in terms of quality, cost and lead times, the supplier shall, in general, comply with the standards and practices of that industry, as practiced by the carmakers who are Spheros' customers.
- 3.4 The supplier warrants that the Supplies are not listed (a) in the export control list (Annex "AL" to the Foreign Trade and Payments Ordinance), (b) in Annex I of Regulation (EU) No. 2021/821 as amended (Dual-Use Regulation), and/or (c) in Annex IV of the Dual-Use Regulation. In addition, the supplier warrants that the Supplies (d) do not contain goods of U.S. origin, nor (e) are bundled/mixed with U.S.-origin software or U.S.-origin technology in such a way that U.S. (re-)export control law is applicable, and (f) are not subject to the Export Administration Regulations (EAR) for reasons other than those relating to the value of the Supplies.
- 3.5 The supplier shall promptly respond to any request for information by Spheros concerning the Supplies and shall certify the origin and composition of the Supplies.
- 3.6 Spheros may at any time request that the supplier amends the Contract Documents with a view to modifying the characteristics of the Supplies, the production process, packaging or logistic

specifications. The supplier shall promptly provide Spheros with a feasibility proposal which includes a schedule, together with an analysis of the potential consequences for the quality/reliability of the Supplies and the impact on the production cost. The parties shall discuss these elements, within a timeframe that, to the extent possible, accommodates the scheduled implementation date of the Order to find a balance between the technical and business aspects of implementing the proposed changes. If, following such discussions, it is impossible to find a balance that accommodates the interests and restrictions of the two parties, Spheros may either refrain from making the change or give notice of extraordinary termination according to clause 14.2 sub-section 1 if the Order is an open Order.

- 3.7 The supplier may not make any change to the Supplies without prior validation in accordance with Spheros' quality procedures as well as the habitual rules and usages of the automotive industry. This shall apply, in particular, to changes of materials, parts, components, processes (in particular, manufacturing processes) and the production site.
- 3.8 To ensure the proper performance of an open Order, the supplier shall establish and maintain a back-up plan, which shall include in particular: safety stock of Supplies as agreed with Spheros, to be determined taking into account the procurement lead times for materials and/or components and/or sub-assemblies, the supplier's process-related restrictions (e.g. use of shared resources, often used equipment, bottlenecks) and Spheros' average requirements over the three previous months (or Spheros' average forecast requirements for the six following months in the case where the production of a new product is in the ramp-up stage). The safety stock must be drawn on a FIFO basis so that the inventory turnover does not exceed three months.
- 3.9 The supplier shall deliver the Supplies to meet the needs of the spare parts market for ten years following the sale of the last vehicle of the model or models of the range incorporating the said Supplies or for 15 years if the Supplies are intended for the commercial vehicle market or if such spare parts are intended for at least one market the regulations of which stipulate a guaranteed supply of spare parts for 15 years.

To that end, and during these periods, the supplier shall maintain the production tooling and equipment needed for the Supplies in good working order and keep the technical documentation and manufacturing instructions.

During the transition from serial production to spare parts production and in the two (2) years following the start up of spare parts production, the prices applied to spare parts will be the prices applicable at the end of the serial production period, plus specific packaging and transportation costs as agreed upon with Spheros. To ensure price stability during these two years, different batch sizes may be agreed at the supplier's request.

- 3.10 To continually enhance the competitiveness of the Supplies and of Spheros products incorporating said Supplies, the supplier shall implement productivity measures on an ongoing basis. The minimum expected level of annual productivity is determined by mutual agreement.
- 3.11 The delivery lead time indicated either in a firm Order or in a delivery request under an open Order is an essential component of the Order and must be strictly respected by the supplier.

Should the supplier be prevented from delivering punctually for an extended period or should repeated delivery delays lead to an interruption of the supply chain or to third party claims or expenses, Spheros is entitled to extraordinarily terminate the Order according to clause 14.2 of these General Terms and Conditions of Purchase if maintaining the contract is no longer reasonable for Spheros.

- 3.12 If the supplier must carry out work at a Spheros facility, the supplier shall comply with the internal regulations in force at the facility as well as with applicable legal and regulatory provisions, notably those pertaining to health and safety, and labor and employment legislation governing work done in an establishment by an outside company. It is understood that the same obligations apply to any subcontractors of the supplier. The supplier shall be solely liable for any personnel who carry out work at a Spheros facility and will take charge of the remuneration, guidance and management of such staff.

## **4. Defect of title (Intellectual Property Rights claim)**

- 4.1 Should third parties assert a claim or lay a charge against Spheros due to the validity of a title/an intellectual property right in the Supply, the supplier will hold Spheros harmless and indemnify Spheros from such third party claims to the same degree that it would have to compensate Spheros. Spheros will inform the supplier immediately of such claims.
- 4.2 In the event of defect of title of Supplies, the supplier undertakes, at Spheros' own discretion, either to invoke the right for Spheros and Spheros' customer to freely use the Supplies despite the defect of title, or to remedy the defect. In case of remedy, the new Supplies (irrespective of whether the defect has been removed or a defect-free Supply is delivered) must also comply with the Contractual Documents and must be made available to Spheros before start of production for release and approval.
- 4.3 The statute of limitation for defect of title claims is at least 36 months, unless longer periods are provided for by law or in other agreements.

## **5. Prices, invoicing, terms of payment**

- 5.1 Prices are those given in the Order. They are fixed prices and are to be understood, unless otherwise agreed, to be Delivery Duty Paid (DDP), in accordance with the ICC Incoterms® 2020, at the place of delivery of the Supplies as indicated in the Order. Prices are all inclusive and remunerate the supplier for all costs, risks, charges and obligations of any sort in relation thereto and take account of all the elements related to the Order, in particular, also their profit as well as the amortization of costs for equipment, development costs, etc., unless these are reimbursed separately.
- 5.2 Spheros can request a reduction in the agreed prices at any time, if and when the production costs of the Supplies, in particular the material costs, have decreased, or the prices charged by suppliers of comparable competitors are not only insignificantly lower than the agreed prices. In this case, the parties undertake to renegotiate a new reduced price. If no agreement is reached in this regard within 30 days from the date of Spheros' change request, Spheros can determine a new appropriate price at its own discretion. If this new

price is not accepted by the supplier within eight days, Spheros is entitled, according to clause 14.1 of these General Terms and Conditions of Purchase, to send a notice of termination within a reasonable time without the supplier being entitled to claim compensation. If Spheros does not terminate the Order, then the new price shall apply from the time it was determined by Spheros.

- 5.3 All details shown in the Order including identifications of quantities which allow the Supplies to be identified and checked must appear on the invoice. The invoice must be sent to the billing address stated on the front of the order form.
- 5.4 Payment must be made by bank transfer and, unless otherwise agreed, be paid for within 60 days net. The term of payment begins with the receipt of invoice, at the earliest, however, on acceptance of the Supply or the approval of services and not before receipt of the agreed upon security. Payment has been made when the transfer order is received by Spheros's bank.

## **6. Packaging and shipping documents**

- 6.1 The supplier must pack the Supplies for transport and storage in such a way that supply in proper condition is ensured.
- 6.2 Each packaging unit must be labeled on the outside in a legible way with the (especially transport) notices required in accordance with relevant provisions as well as special instructions with regard to handling, transport and storage. In addition, the order number, batch number, a description of the Delivery, name and address of sender and recipient, number of items and finally the gross and net weights of the packing unit must be stated there. A supply note in duplicate as well as - if applicable - a safety data sheet must be included in the Supply. The supply note must contain all the details of the Order including identifications of quantities that enable the Supplies to be identified and examined. The specifications on the Order or supply schedule must be taken into consideration.

## **7. Delivery and Delay in Delivery**

- 7.1 Supplies are delivered to the place indicated on the Order, DDP (Incoterms® 2020), unless otherwise agreed.



- 7.2 Spheros reserves the right to refuse some or all of the delivery of Supplies, by means of an ordinary letter, fax or other electronic means, in the event of late delivery, in the event that the delivery is incomplete or contains less or more Supplies than were ordered, or in the event of non-compliance with the Order.

Failure to issue any reservation or complaint upon acceptance of the delivery will constitute neither final acceptance of the Supplies delivered nor a waiver by Spheros of its right to seek subsequent redress owing to non-compliance with the Order or apparent or hidden defects of the Supplies.

- 7.3 The period allowed for examination and sending notice of defect shall be at least 14 days from delivery, for hidden defects not discovered during examination at least 14 days after the discovery of the defect. Should a longer period be appropriate in individual cases, such period shall apply. In the case of a serial defect, the notice of defect for the entire batch is considered to be properly delivered when such a notice of defect is sent after an accumulation of customer complaints. Spheros is entitled to limit the examination of the Supplies received to their identity and quantity as well as easily identifiable defects.

- 7.4 Supplies with reported defects are made available to the supplier to allow the supplier to check the nature of the complaint. Unless otherwise agreed by the Parties, this shall occur in the Spheros plant where the Supply was assembled or processed. If, within five working days, the supplier does not object to the complaint or does not check the Supply or accepts the claim, the supplier shall collect the Supply within eight additional working days at its own cost and risk. Upon expiration of such a deadline, Spheros is entitled to send the Supply back at the supplier's expense and risk.

- 7.5 If the supplier is in default by exceeding the delivery date, Spheros shall be entitled to demand a contractual penalty of 0.2% of the order amount per working day, up to a maximum of 10% of the order amount. The reservation of the assertion of the contractual penalty may still be asserted until payment of the invoice. The contractual penalty shall be offset against a claim for damages for delay. The contractual penalty is only the minimum value of the compensation.



## **8. Material defects (Warranties)**

- 8.1 As an expert in its field, the supplier is responsible for the development, design and characteristics (if not specified by Spheros) of the Supply, the production process and its respective technical choices. It guarantees, in particular, that at transfer of risk the Supplies:
- have the agreed characteristics and quality;
  - are otherwise suitable for the contractually intended purpose;
  - are otherwise suitable for general use and show a condition that is common to Supplies of the same kind and that Spheros can expect due to the type of Supply.
- 8.2 The supplier undertakes to provide the Supplies in compliance with the Spheros production safety system (Spheros Production System) and with the Spheros quality assurance system (Spheros Quality System) in their versions valid at the time of the Order. Changes to these provisions during the execution of the Order shall be taken into consideration by the supplier as soon as Spheros has informed the supplier of these changes. The same shall apply to other general quality specifications of Spheros in their version valid at the time of the Order or during the execution of the Order as soon as the supplier has been informed of these by Spheros.
- 8.3 The supplier must examine drawings, specifications, requirements and other data from Spheros for the execution of the Order with regard to completeness, accuracy and suitability for the intended purpose. Should there be any concerns in this regard, the supplier must inform Spheros of these in writing immediately. Should it omit this, Spheros is also entitled to assert damage claims in this respect; compensation claims for other reasons remain unaffected.
- 8.4 Spheros is entitled to inspect the supplier's premises and those of its subcontractors at any time during normal business hours, before and in the course of execution of the Order, to examine the production process and the Supplies or services. The supplier undertakes to ensure its subcontractors' agreement to such inspection.
- 8.5 Should Spheros examine and approve the supplier's drawings, specifications, the production process or first samples as well as the

Supplies or services before or in the course of executing the Order, such an examination shall only occur in Spheros' own interest and does not release the supplier from its duty to provide Supplies and services free from defect.

- 8.6 Should Spheros request remedy, Spheros is entitled to choose the remedy even in the case of contracts for work. The expenses necessary for remedy purposes, which are borne by the supplier, shall also include examination and sorting costs, assembly and disassembly costs of the Supplies as well as the costs of incoming examination. The expenses necessary for remedy purposes, which are borne by the supplier, shall also include the costs related to recall actions due to safety and environmental defects or any other customer service measure conducted by Spheros or its customer at its own discretion. This shall also apply if the recall action or the customer service measure does not only cover defective Supplies, but also other Supplies from the defective Supply period, and separating the defective Deliveries and non-defective Deliveries for the purpose of conducting the recall action or the customer service measure is not possible. All aforementioned expenses must be borne by the supplier even if they are incurred by Spheros' customer.
- 8.7 Spheros also has the right to self-performance in the case of purchase contracts. Spheros need not set a deadline before executing the self-performance if certain conditions which justify immediate self-performance prevail when weighing up the interests of both Parties.
- 8.8 Claims are statute barred within at least 36 months unless longer periods are provided for by law or in other agreements. Should Spheros use the Supply in products (original parts or spare parts) intended for motor vehicles, then the following longer warranty periods shall apply: 36 months from first registration of the vehicle or from incorporating the spare part, no longer than 42 months from the date of delivery, unless Spheros agreed on a shorter or longer warranty period with the customer, which then applies. The minimum warranty period stated in sentence 1 remains unaffected in all events. If Spheros makes notice of a defect, the limitation shall be suspended until one or the other Party refuses negotiations or their continuation. Should there be a serial defect the first notice of defect shall be sufficient to suspend the statute of limitation for all claims for defects

arising from the serial defect. For repaired or newly delivered Supplies, the limitation period begins anew at this time - beyond the statutory suspension.

- 8.9 If action is taken against Spheros under product liability based on domestic or foreign law, the supplier shall indemnify Spheros from all third party damage claims as far as it is responsible for the error that triggered the liability. In this context, the supplier is also obligated to reimburse those expenses incurred from or in connection with a recall action conducted by Spheros or its customer or other defect-removing or preventative measures taken at its discretion. In this respect, the supplier waives any defense of the statute of limitation towards Spheros, unless Spheros on its side can invoke such statute of limitations.

## **9. Liability and Insurance**

- 9.1 The Supplier shall be liable for its performance under the Purchase Order and/or agreement in full accordance with statutory provisions of the Governing Law of these T&C ("Governing Law").
- 9.2 The supplier will take out and maintain business and product liability insurance for its Supplies with an insurer with adequate assets in relation to the sum insured, which shall also cover claims due to a product recall, and will provide evidence of this at Spheros' first request. Coverage by this insurance policy will in no case limit the liability of the supplier in relation to the Supplies.

## **10. Assignment of receivables, subcontractors, liability for suppliers, legal succession**

- 10.1 The supplier's receivables from Spheros may only be assigned to third parties with Spheros' consent.
- 10.2 The supplier must, in principle, fulfill its duties towards Spheros via its own company and with its own employees. The involvement of subcontractors is only permitted with Spheros' consent. Should the supplier be permitted to use a subcontractor, it shall remain solely responsible to Spheros for the execution of the Order and the compliance with all specifications in the Contract Documents.

- 10.3 The supplier is responsible for its suppliers' (sub-suppliers') faults to the same extent as its own fault, and this also if and when the sub-supplier does not fulfill any of the supplier's obligations owed to Spheros.
- 10.4 Spheros is entitled to assign or transfer, in full or in part, its own rights from the Order to an affiliated company or to a company that takes over some or all of its activities.

## **11. Confidentiality**

- 11.1 All information made accessible to the supplier by Spheros, by its affiliates or representatives, in particular, of a technical, industrial, production-related, business and financial nature, is confidential. This shall apply regardless of how this information was made accessible, either verbally, in writing or in other manner, including among others constructions, drawings, descriptions, specifications, electronic media, software and corresponding documentation, samples and prototypes. Included is also the information which the supplier's representatives, its own suppliers, its subcontractors, its authorized persons or its permanent or part-time employees obtained with regard to the order.
- 11.2 Confidential information in terms of Clause 11.1 may only be used and exploited by the supplier in connection with the Order. The supplier undertakes to take measures necessary to ensure that confidential information is not made accessible to third parties, also not to a subcontractor without Spheros' consent. Any breach of this confidentiality obligation shall entitle Spheros to extraordinary termination in accordance with Clause 14.2 of these General Terms and Conditions of Purchase.
- 11.3 This obligation of confidentiality will remain in effect for five (5) years after the Order is terminated or expires, irrespective of the reason for termination. Once the Order is terminated, the Supplier will return to Spheros, upon its first request, all documents, confidential or otherwise, relating to the Order and will not keep copies on any medium whatsoever without Spheros' express prior consent.

## **12. Transfer of ownership and of risk**

- 12.1 Any retention of title on behalf of the supplier is excluded.

- 12.2 If Spheros has made an advance payment for the Supply, the title to the Supply or to the material used for it and to the semi-finished products is transferred to Spheros before Supply at the time the advance payment is made; if the advance payment is a part payment, then Spheros acquires pro-rated joint title. In this case, the supplier stores the Supply or materials and semi-finished products at no cost for Spheros and properly. The supplier undertakes to store the items that are partially or totally owned by Spheros separately from other items and to clearly mark them as Spheros' (joint) property and allow Spheros to inspect these at any time during normal business hours.
- 12.3 The transfer of risk depends on the Incoterms stated on the Order. If nothing has been agreed upon in this regard, the risk, for purchase contracts, is transferred upon delivery to Spheros, for contracts for work upon acceptance.

### **13. Molds, tools and other equipment**

- 13.1 Moulds, tools and other equipment (hereinafter called "Equipment") made available to the supplier by Spheros remain the property of Spheros. Ownership of Equipment that the supplier produces or has produced upon instructions and at the cost of Spheros, is transferred to Spheros. If Spheros only bears part of the costs, Spheros shall acquire corresponding joint ownership. Ownership is transferred to Spheros in accordance with the course of completion, so that Spheros already acquires (joint) ownership of the materials and the semi-finished products. It is agreed that the Equipment is stored for Spheros at no cost and properly. If equipment is produced by third parties on the supplier's instructions, the supplier undertakes to conclude corresponding agreements with the third parties which ensure the transfer of title to Spheros. Upon request at any time, the supplier shall provide Spheros with evidence of such agreements with third parties.
- 13.2 Equipment solely owned by Spheros may only be used by the supplier for purposes of the Order and may neither be made accessible to third parties nor pledged or used as security nor reproduced. This shall also apply to equipment that was manufactured by the supplier upon instructions from Spheros or by using Spheros' specifications, in particular, Contract Documents, of

which Spheros only has joint ownership.

- 13.3 Spheros' (jointly) owned Equipment must be labeled with a clearly visible, firmly attached sign marked "Property of Spheros" or "Joint property of Spheros" at the supplier's expense. All the Equipment mentioned in Clause 13.2 may not be changed without Spheros' consent. The supplier shall prepare a list of the (jointly) owned Equipment according to Spheros' specifications and to keep it up-to-date, and allow Spheros to view this at any time during normal working hours.
- 13.4 The supplier undertakes to insure the Equipment wholly or jointly owned by Spheros against damage, loss etc. with adequate cover at replacement value. The supplier shall prove the existence of insurance cover to Spheros upon request at any time. The supplier assigns all compensation claims from this insurance to Spheros; Spheros herewith accepts this assignment. The supplier undertakes to maintain and repair the Equipment wholly or jointly owned by Spheros at its own expenses in the event of material damage, loss, etc., as well as premature wear. The supplier is further obligated to inform Spheros punctually about the need to replace wholly or jointly owned Equipment as a result of normal wear and tear.
- 13.5 If the Order is terminated for any legal reason whatsoever, or if the supplier presumably will not be able to deliver for a not inconsiderable period of time, it shall return the wholly or jointly owned Equipment to Spheros upon first demand. Should the supplier have a payment claim against Spheros concerning the Equipment, Spheros' claim for return shall exist upon fulfillment of the same, including by way of set-off by Spheros. The supplier's right of retention is otherwise excluded.
- 13.6 Clauses 13.1 to 13.5 shall apply accordingly to all Equipment that is wholly or jointly owned by Spheros' customer. Spheros shall inform the supplier of this.

## **14. Termination**

### **14.1 Contractual termination for convenience**

Spheros can terminate an open Order (in the form of a limited or

unlimited Order) or a firm Order (in the form of a limited or unlimited Order) at any time with six months notice as long as the remaining term of the Order is not less than the notice period. During the notice period, the Order must be fulfilled and executed by both Parties in accordance with agreements valid at the time of notice.

Should the supplier suffer a financial loss due to early termination of the Order (e.g. in the form of non-amortised costs or unavoidable costs from supply contracts), such loss will be compensated based on specific agreements concluded by the Parties in the course of the respective Order. Should no specific agreements exist, the Parties shall negotiate an appropriate compensation. Should the Parties fail to reach an agreement, an appropriate compensation shall be determined by Spheros at its own discretion. When determining the appropriate compensation some aspects should be taken into consideration, namely that these General Terms and Conditions of Purchase provide for contractual termination for convenience as of right with a notice period of six months which is deemed sufficient, that the supplier shall be responsible for implementing such equivalent termination rights in its own supply contracts and shall be able to use its stock, resources, etc., for other purposes. The compensation for lost profits is excluded. The compensation can only be asserted within 30 days after receipt of notice of termination (cut-off period).

A firm Order in the form of an individual one time Order cannot be terminated as of right; Spheros' right to contractually terminate a contract for work as of right remains unaffected.

## 14.2 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.

## 14.3 Consequences of termination

Prior to the expiry of the Order, in particular in the event that an open Order is terminated, irrespective of the reason for termination, the



supplier shall take measures and cooperate extensively and fairly to allow Spheros to ensure the continued performance of its obligations towards Spheros' customers until production of the Supplies covered by the expired or terminated Order can be take up by an alternative supplier. In particular, the supplier shall, if Spheros so requests, transfer to Spheros any inventory of parts, components, assemblies and sub-assemblies, raw materials, semi-finished or finished products that it holds at the date of the request. The supplier similarly undertakes to return at Spheros' first request any Equipment, whether in the process of being produced or in service, and all documentation (drawings, technical notices, maintenance handbook, etc.).

## **15. Miscellaneous**

- 15.1 Further or additional legal claims and rights of Spheros shall remain unaffected. This shall apply, in particular, to Spheros' legal compensation claims arising from default or defect.
- 15.2 Should Spheros not exercise contractual rights even over a longer period of time, this shall not constitute a waiver of such rights or a change to the Contract Documents.
- 15.3 The supplier may not refer to its commercial dealings with Spheros without Spheros' prior written authorization.
- 15.4 Unless expressly agreed otherwise, the place of performance for the delivery obligation shall be the shipping address or place of use requested by Spheros; for all other obligations of both Parties, the place of business of Spheros.
- 15.5 Should individual parts of these General Terms and Conditions of Purchase be legally invalid, this shall not affect the validity of the remaining provisions.
- 15.6 The contractual relationship shall be governed exclusively by the State of Michigan without regard to any otherwise applicable conflict of laws provisions. The United Nations Convention on the International Sale of Goods is expressly excluded.
- 15.7 Governing Law; Venue. This Agreement shall be governed in all

respects, including validity, interpretation and effect, by the laws of the State of Michigan, without regard to principles of conflicts of law. Each party consents to the exclusive personal jurisdiction of the federal courts located in the Eastern District of Michigan or the state courts located in Wayne County, Michigan over any action arising out of or relating to this Agreement and waives any objection it may now or hereafter have to venue or to convenience of forum.

- 15.8 41. Waiver of Jury Trial. SPHEROS AND SELLER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF SPHEROS AND SELLER, AFTER CONSULTING (OR HAVING THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY PURCHASE ORDER OR ANY OTHER DOCUMENT PERTAINING TO ANY PURCHASE ORDER.
- 15.9 These Terms and Conditions will survive expiration, non-renewal or termination of any Purchase Order.