

1. Terms of delivery

1.1 These purchasing conditions will apply to the business relations between the supplier and all the companies of the Kayser group of companies ("Kayser") listed below:

- A. Kayser Automotive Systems GmbH
- A. Kayser Automotive Systems GmbH u. Co. KG Glauchau
- A. Kayser Automotive Systems Polska Sp. z o.o.
- Kayser Automotive Systems Klodzko Sp. z o. o.
- Kayser Automotive Hungária Kft.
- A. Kayser Automotive Iberica S.L. Automocion S Comanditaria
- Kayser Automotive Systems (Suzhou) Co, Ltd
- Kayser Automotive Systems (Changchun) Co, Ltd
- Kayser Automotive Systems S. en C.
- Kayser Mexico, S.A. de C.V.
- Kayser Automotive Systems India Private Limited
- A. Kayser Automotive Systems USA LP
- Kayser Automotive Systems Bulgaria EOOD

1.2 All orders of goods or services ("contractual items") from Kayser will be carried out exclusively in accordance with these Terms and Conditions of Purchase unless expressly agreed otherwise in detail.

1.3 General terms and conditions of business (e.g. terms of sale) of the supplier will not become part of the contract even if Kayser does not expressly object to them in individual cases. The supplier's general terms and conditions of business shall only become part of the contract if this is expressly agreed in writing between Kayser and the supplier.

1.4 In addition, the following documents will apply to all orders from Kayser in the version current at the time of conclusion of the contract (available at <https://www.kayser-automotive.com/downloads>):

- Logistics specification book
- Quality assurance agreement
- Code of Conduct
- Security Guideline: Prototype safety
- Security Guideline: Guideline for Partner Companies
- Deletion of information and destruction of data carriers

In addition, the following document in the version sent to the supplier will also apply:

- House rules for external companies

1.5 The supplier is obliged at Kayser's request to send the "Self-disclosure Compliance/Sustainability" provided by Kayser to Kayser immediately and completely filled in.

2. Order

2.1 Unless expressly agreed otherwise, deliveries will be made based on written individual orders or rolling delivery schedules from Kayser. The details of the procedure for delivery schedules are laid down in the "Kayser Delivery Instructions for Order Processing", which shall be the subject of the agreements with the supplier.

2.2 Delivery forecasts/forecasts and planned quantities stated in blanket orders are only orientation values for capacity planning and do not constitute any obligation on Kayser to accept. A binding obligation to accept goods shall only arise through delivery call-offs or individual orders confirmed by the supplier.

2.3 Individual orders must be confirmed by the supplier immediately (within 3 days at the latest) after receipt. Kayser is entitled to cancel individual orders until the supplier confirms them.

2.4 An order or delivery schedule is based on delivery forecasts and shows the specifics of the delivery, in particular the binding delivery quantity/s, the delivery date/s and the place/s of delivery. Acceptance by the Supplier is deemed to have been declared if he does not object to an incoming delivery call or order within 3 (three) working days (Monday - Friday) of receipt or if he begins with the execution.

2.5 Kayser may demand changes to the contract items in design and execution within the framework of what is reasonable for the supplier. The supplier shall assess the effects of such changes, in particular with regard to additional and reduced costs and delivery dates, and must inform Kayser immediately in writing. Subsequently, Kayser and the supplier shall come to an amicable agreement on the implementation of the changes. If there is no proper feedback within two weeks of notification of a request for changes, the previously agreed price will continue to apply unless the supplier informs Kayser within these two weeks why no such feedback can be given within two weeks.

2.6 Kayser reserves the right in the case of capital goods (including tools) to carry out an audit to check the plausibility of the prices after giving appropriate notice and in compliance with legal requirements and any conflicting confidentiality agreements of the supplier. If such an audit reveals that the agreed prices are not reasonable in relation to the actual value, the parties shall be obliged to negotiate new prices for the capital goods concerned.

3. Material provided

3.1 Materials and devices provided by Kayser for the supplier's services remain the property of Kayser. The supplier is obliged to handle them carefully and store them properly and to insure them to a reasonable extent against damage and loss at replacement value.

3.2 Prior to the start of production, the supplier must inspect the material provided for visually recognizable defects and carry out an identity check. During production, the supplier must carry out further tests and document them in accordance with the regulations insofar as these have been special agreed with Kayser or are necessary in accordance with his quality management system. If the supplier detects quality defects in the materials or devices provided by Kayser, Kayser must be informed immediately in order to coordinate further measures.

3.3 The materials provided by Kayser must be processed exclusively for Kayser. If the value of the material provided by Kayser exceeds the value of the processing and, if applicable, the value of the other components of the newly produced items, the newly produced items will become the property of Kayser, otherwise co-ownership is created between Kayser and the supplier in the ratio of the value of the material provided to the value of the processing and the other components.

3.4 Contractor's liens of the supplier according § Section 647 BGB are excluded.

4. Quality and documentation

4.1 The specifications, drawings, descriptions and other documents agreed between Kayser and the supplier will apply to the quality of the goods or the performance of services.

4.2 In addition, the goods or services must meet all legal and regulatory requirements.

4.3 The supplier must inspect all goods and services before dispatch with regard to their freedom from defects and document this.

4.4 The Supplier shall provide its services using a quality management system customary in the automotive industry at least in accordance with the requirements of the most recent version of EN ISO 9001, be in possession of a corresponding certification and continuously develop this system in accordance with the state of the art. The aim here is the further development of the quality management system towards certification in accordance with the latest version of IATF 16949. In addition, the "Quality Assurance Agreement (QAA)" agreed with the Supplier applies.

4.5 The Supplier must keep quality records (in particular regarding production times/batches, outgoing goods inspection and documents relevant for traceability) as well as safety and development-relevant records and documents for a period of at least 15 years.

4.6 Compliance with the following points is mandatory:

- REACH Regulation (*where SVHC substances contained in the product exceed 0.1 %, there is a duty to inform us as customer; furthermore, we expect the unsolicited disclosure of the dossier*)

number(s) for the SCIP database of the European Chemicals Agency)

- substances included in the GASDL may not be used
- substances included in a specific list of banned substances of all OEMs may not be used
- If they deviate from the above points, this must be clearly stated in the quotation and any order confirmation to us.

4.7 The supplier is obliged to provide the SCIP number upon approval of the contract in accordance with Art. 9, Para. 1(i) of the EU Waste Framework Directive (Directive (EU) 2018/851).

For suppliers beyond the EU, at least the SCIP-relevant information (SVHC substance incl. CAS-No., TARIC-Code and material category) shall be provided to Kayser regarding the delivered products

4.8 All PPAP reports must be sent as pdf files to the following e-mail address:

empb@kayser-automotive.com

4.9 All other test reports ordered by Kayser shall be sent as a PDF version to the e-mail

test-report@kayser-automotive.com

4.10 All measurement reports for prototype orders must be sent as a pdf file to the e-mail address

prototype-report@kayser-automotive.com

5. Dates, delay in delivery

5.1 Agreed delivery dates are binding and, unless otherwise agreed, refer to receipt at the unloading point specified in the order.

5.2 The supplier must inform Kayser of any recognisable delays in delivery immediately after becoming aware of them.

5.3 In the event of non-compliance with agreed delivery dates, the supplier is obliged to compensate Kayser for the damage caused by delay insofar as he is responsible for the delay.

5.4 In the event of a delay in delivery for which Kayser is not responsible, the supplier must pay Kayser a contractual penalty of 0.3% of the respective order value for each commenced working day (Monday to Friday), but not more than 5% of the respective order value. The assertion of further claims for damages shall remain unaffected. Contractual penalties paid shall be set off against any existing claims for damages. The supplier shall reserve the right to prove that the damage was less.

5.5 After fruitless setting of a period of grace, Kayser shall be entitled to demand compensation for non-fulfilment and/or to withdraw from the order concerned. In the event of repeated delays in delivery, Kayser shall be entitled, after prior warning, to cancel the order(s) not yet fulfilled at this point in time with immediate effect.

5.6 Premature deliveries, partial deliveries and short deliveries shall require Kayser's prior written consent. In the absence of such consent, Kayser shall be entitled to return such deliveries at the supplier's expense and risk or to charge storage costs.

6. Transport, packaging, transfer of risk

6.1 Unless otherwise agreed, delivery shall be made DDP INCOTERMS 2020, and any disposal costs incurred for packaging shall be borne by the supplier.

6.2 The transfer of risk shall in any case only take place after delivery of the goods to the agreed unloading point. This shall also apply if Kayser has to bear the freight costs on the basis of a special agreement. If the transport is carried out at Kayser's expense, Kayser's shipping instructions must be observed.

6.3 Each delivery shall be accompanied by a delivery note in duplicate as well as a label on the goods in a marked place. The information content shall be based on Kayser's specifications in accordance with the logistics and packaging requirements.

6.4 If delivered goods have not been marked in accordance with the provisions of the "logistics specifications", we reserve the right to charge additional costs per transaction at our reasonable discretion. The supplier shall be entitled to prove that the damage was less. Any claims asserted in

this context shall be set off against other claims for damages.

6.5 The existing "House Rules for External Companies" must be observed when working on Kayser's factory premises.

6.6 The individual delivery points of the Kayser works and their acceptance times are regulated in the "General Guidelines for the Acceptance of Goods". The packaging and logistics requirements shall also apply.

7. Payment and terms of payment

7.1 Unless otherwise agreed, agreed prices are fixed prices plus the statutory value added tax (if applicable). The agreed prices shall fully cover all work, services and expenses of the Supplier in connection with an order, in particular the transfer of IP rights and the granting of rights of use or licenses.

7.2 Unless otherwise agreed, the prices are DDP, agreed place of delivery, INCOTERMS 2020.

7.3 Kayser shall make payments exclusively by the 25th day of the following month of invoicing less 3% discount; optionally 60 days net. Payments shall be made using means of payment of Kayser's choice.

7.4 The weights or quantities determined at the unloading point shall be decisive for the calculation and payment of the deliveries. In the event of a defective delivery, Kayser shall be entitled to withhold payment proportionately to the value until proper fulfilment. Drafts, drawings and samples shall only be paid for if a written agreement has been made in advance.

7.5 The supplier will not be entitled to assign his claims or have them collected by third parties without Kayser's prior written consent, which must not be unreasonably withheld. In the event of extended reservation of title, consent shall be deemed to have been given. If, contrary to sentence 1, the supplier assigns his claims against Kayser to a third party without Kayser's consent, the assignment shall nevertheless be effective. Kayser may, however, make payment to the supplier or the third party at its own discretion with discharging effect.

7.6 The supplier shall only be entitled to offset against Kayser's claims or to assert a right of retention if and insofar as his claim is undisputed or his counterclaim has been legally established. Kayser shall also be entitled to set off the supplier's claims against claims which are due to an affiliated company within the meaning of § 15 of the German Stock Corporation Act (AktG).

7.7 Invoices shall be sent to the following e-mail addresses:

A. Kayser Automotive Systems GmbH and A. Kayser Automotive Systems GmbH u. Co. KG Glauchau:

invoice@kayser-automotive.com

A. Kayser Automotive Systems Polska Sp. z o.o. and Kayser Automotive Systems Klodzko Sp. z o.o.:

invoice-pl@kayser-automotive.com

A. Kayser Automotive Iberica S.L. Automocion S Comanditaria:

invoice-es@kayser-automotive.com

Kayser Mexico, S.A. de C.V.:

invoice-mx@kayser-automotive.com

Kayser Automotive Hungaria Kft.:

invoice-hu@kayser-automotive.com

Kayser Automotive Systems (Changchun) Co., Ltd:

invoice-cn@kayser-automotive.com

A. Kayser Automotive Systems USA LP:

invoice-us@kayser-automotive.com

8. Force majeure

8.1 Industrial disputes, riots, official measures and other unforeseeable, unavoidable and serious events shall release Kayser and the supplier from their performance obligations for the duration of the disturbance and to the extent of their effect. If the disturbance lasts longer than one month, the parties shall adapt the mutual obligations to the changed circumstances in good faith.

8.2 The contracting parties are obliged to do everything within reason to eliminate the disruption and to mitigate the effects of the disruption.

8.3 Kayser shall be entitled for the duration of the delay on the supplier's side to procure the contract products from other sources or have them manufactured and to reduce

the delivery quantities stated in orders or delivery schedules without any obligation to the supplier.

9. Delivery assurance

9.1 The supplier shall notify Kayser of any intended technical change to the delivery of goods released for delivery in good time, if possible at least 3 months before the change is introduced. The delivery of modified goods shall in all cases require Kayser's prior express written consent, for example within the framework of a renewed initial sample release. If goods are produced according to Kayser's specifications, this shall also apply to the modification itself.

9.2 The above provisions in 9.1 shall apply mutatis mutandis to the change of procurement sources for input material or components as well as the change of the production site or significant changes in the production process at the supplier.

9.3 Insofar as the contract items are goods specially developed for Kayser, in particular if Kayser has directly or indirectly contributed to the costs of development and/or production resources, the supplier undertakes to supply Kayser with the contract items within the framework of its requirements and to accept orders from Kayser for as long as Kayser requires the contract items. The supplier shall be informed, in good time of the anticipated delivery volume according to the customer demand forecasts available to Kayser. Notwithstanding the provision in sub-section 2.2, the supplier shall not, however, be entitled to accept certain quantities unless expressly agreed otherwise.

9.4 In order to ensure the production of spare parts at Kayser, the supplier shall be obliged to guarantee the delivery of the contract items necessary for this for a period of 15 years after the end of the series production of the Kayser products into which the respective contract items are installed.

10. Acceptance and notification of defects

10.1 If acceptance is required due to the type of agreement between Kayser and the supplier or the type of the supplier's obligation to perform or due to statutory provisions and nothing else has been agreed to the contrary, acceptance shall be formally effected by means of an acceptance protocol after completion and delivery of the contract item. A fiction of acceptance by silence in response to a request for acceptance by the supplier, by payment of the remuneration or by actual use of the contractual object shall be excluded.

10.2 Kayser's incoming goods inspection shall be limited to checking the identity and quantity of the delivered products and to externally recognizable transport damage. Kayser shall be notified immediately of any defects detected in this connection, at the latest, however, within 10 working days of their detection. Kayser shall also notify the supplier of other ("hidden") defects immediately, but at the latest within 10 working days of their discovery. In this respect, the supplier shall waive the objection of late notification of defects.

10.3 With regard to the quality assurance measures to be taken, the quality assurance measures that may be required under special agreements, e.g. quality assurance agreements, ship-to-stock agreements or the like shall be taken into account. The specifications made between the parties must be observed.

11. Warranty

11.1 The supplier guarantees that the contractual objects are free of defects and, in particular, which they comply with the agreed specifications and the state of the art in science and technology and are suitable for the intended purpose.

11.2 If defective goods are delivered, Kayser is entitled to demand either subsequent delivery or repair.

11.3 If the goods are repeatedly delivered with the same defect or if the rectification of the defect is unsuccessful, Kayser shall be entitled to cancel the order(s) with immediate effect after a written warning in the event of another defective delivery/failed rectification of the defect, even for the scope of delivery not yet fulfilled at this point in time.

11.4 Kayser shall be entitled, after prior agreement with the supplier, to sort out and return or scrap defective contract items at the supplier's expense.

11.5 If the supplier does not comply with Kayser's demand for subsequent performance immediately or if he cannot carry out subsequent performance or refuses it definitively, Kayser may withdraw from the order and return the goods at the supplier's risk and expense.

11.6 In urgent cases, if possible after informing the supplier in advance, Kayser may carry out a possible rectification of defects itself or have it carried out by third parties to the extent necessary to comply with its own delivery obligations or, if necessary, procure defect-free contract items from third parties. The supplier will bear the necessary costs for this. Urgent cases are in particular those in which a (further) delay in delivery or (further) damage to Kayser or its customers is imminent.

11.7 If a defect is only discovered after further processing of the contract items despite observance of the provisions in Section 10 of these terms and conditions, the supplier shall be obliged to bear all the costs of searching for the defect, installation and dismantling costs as well as transport, travel, labour, material, testing and sorting costs arising from this, irrespective of whether these have been incurred by Kayser itself or by Kayser's customers or within the customers' sales organization. This also includes the costs of a necessary replacement or repair of products in which Kayser has installed defective contract items.

11.8 If an exchange of an entire series/batch/delivery of contractual items or products from Kayser in which the contractual items have been installed is necessary due to the repeated defect of contractual items (e.g. because an error analysis is uneconomical, not possible or not reasonable in the individual case), the supplier must also reimburse the above-mentioned costs with regard to the part of the series concerned which does not have any defects.

11.9 Insofar as the parties have made separate agreements with regard to the handling and settlement of warranty claims, in particular in the event of complaints by Kayser's customers, these shall take precedence over the provisions of these Terms and Conditions of Purchase.

11.10 Insofar as Kayser has concluded warranty agreements with its own customers, which are customary in the industry, the supplier bears the costs and damages based on his share of the delivery, which are calculated in accordance with the above-mentioned agreements. Kayser shall inform and involve the supplier as far as possible within the framework of findings and recourse handling, for example, by presenting parts from reference markets and participating in findings.

11.11 Unless the parties have expressly agreed otherwise in writing or a longer period applies due to statutory regulations, warranty claims shall become time-barred 72 months after delivery to Kayser or, depending on the form of the obligation to perform, after acceptance of the contractual items by Kayser. The notice of defects shall interrupt the limitation period.

11.12 Unless otherwise provided for in the above, the warranty shall otherwise be governed by the statutory provisions.

12. Liability

12.1 In so far as Kayser or a third party suffers damage due to a delivery of defective goods, faulty performance of a service or other breach of contractual obligations, the supplier must compensate for the resulting damage within the framework of the statutory provisions. This shall also apply if and insofar as sub-suppliers of the supplier caused these.

12.2 If a recall or take-back campaign is carried out by Kayser, one of Kayser's customers or a third party in order to avoid personal injury or damage to property which is at least partially based on a contractual item of the supplier, the supplier shall bear the costs to the extent that these are attributable to the contractual items supplied by him and shall indemnify Kayser against them. The same shall apply in the case of quality-related field and service actions. As far as possible, Kayser shall inform the supplier in good

time, give him the opportunity to cooperate and exchange information with him about efficient implementation.

12.3 The Supplier undertakes to take out product liability insurance (product liability model) with a coverage of at least € 10,000,000.00 (in words: ten million euros) per calendar year for property damage and personal injury, appropriate to the risks of the automotive industry, as well as vehicle recall cost insurance with an appropriate coverage of at least € 10,000,000 per calendar year and to maintain such insurance for at least 15 years beyond the delivery/service. The type and scope of the insurance cover including the name of the insurer must be proven to Kayser on request. Kayser must be informed of any changes to the essential contents (e.g. existence, scope or sum insured) of the insurance policies without being asked.

13. Property rights

13.1 The Supplier shall be liable for ensuring that his delivery or service does not infringe industrial property rights and copyrights of third parties. He shall release Kayser and its customers from all claims arising from the use of such industrial property rights.

13.2 Liability shall not apply if and insofar as the supplier has manufactured the contractual items in accordance with Kayser's mandatory specifications.

13.3 Kayser shall be granted a right of use for the industrial property rights and copyrights existing at the supplier's at the time of conclusion of the contract which are connected with the contract items and which are necessary for the contractual use of the contract items.

13.4 Insofar as Kayser has contributed to the costs of developing the contract items, Kayser shall, without prejudice to any further rights on the basis of a separate agreement with the supplier, be granted a non-exclusive right of use for all purposes, unlimited in time and place, free of charge and free of charge, including the right to sublicense the inventions used in the contract items or the copyrights existing in them. Insofar as the supplier's service includes the creation of software, the supplier shall make the source code including the software documentation available to Kayser on request.

14. Transfer of information and objects

14.1 The supplier shall be obliged to treat as confidential all business secrets obtained in the course of the cooperation and all knowledge and information, in particular drawings, templates, models, tools, documents, software and other data carriers which Kayser has made available to the supplier and not to pass them on to third parties unless this is absolutely necessary for the performance of the contractual services. Persons employed by the supplier or his sub-suppliers to carry out the services shall be obliged to maintain secrecy accordingly.

14.2 The secrecy obligations pursuant to the preceding clause shall not apply if and to the extent that the information concerned is demonstrably generally known or becomes generally known without any fault on the part of the Supplier or has been or will be lawfully obtained from a third party or is already available at the Supplier prior to commencement of the cooperation or must be disclosed due to mandatory regulations.

14.3 The obligation to maintain secrecy shall continue to apply after the termination of an order or contract.

14.4 The supplier may only advertise his business relationship with Kayser with Kayser's prior written consent.

14.5 Contract items, which have been produced according to information, drawings or models, provided by Kayser or from tools paid for by Kayser in whole or in part may not be offered, sampled or delivered to third parties unless Kayser has given its express prior written consent to this.

15. Tools

Insofar as the supplier manufactures the contract items using tools, devices, machines or other manufacturing equipment (production resources) for which Kayser bears the costs in whole or in part, Kayser shall acquire ownership or co-ownership of these at the latest on payment of the agreed costs in accordance with the proportion of costs borne by Kayser. If the means of production remain with the supplier, the handover shall be replaced by the supplier

keeping them in safekeeping for Kayser free of charge with the care customary in his own affairs. In all other respects, the agreements which may have been made separately between the parties in this respect (*Kayser - tool contracts*) shall apply.

16. general provisions

16.1 If one of the contracting parties suspends payments or if an application is made for the opening of insolvency proceedings against its assets, the other party shall be entitled to withdraw from the order for the scope of delivery not yet fulfilled at that time.

16.2 Insofar as these Terms and Conditions provide for the written form for notifications or declarations of the parties, this shall also be complied with by transmitting the declaration by fax/EDI/e-mail.

16.3 Should any provision of these terms and conditions be or become invalid, this shall not affect the validity of the remaining provisions. In this case, the contracting parties shall be obliged to replace the ineffective provision by a provision which comes as close as possible to the ineffective provision in terms of its economic success.

16.4 Amendments or supplements and other collateral agreements must be made in writing. This shall also apply to the cancellation or amendment of this written form requirement. The only exceptions to this are individual agreements between the parties.

16.5 The place of performance is the registered office of Kayser or the receiving stations specified by Kayser.

16.6 The law of the Federal Republic of Germany shall apply exclusively. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

16.7 The place of jurisdiction for all disputes in connection with these terms and conditions and the deliveries made under their validity shall be the registered office of Kayser or, for legal actions by Kayser, any other competent court.

16.8 If the Supplier has its registered office outside the European Union (EU) or the European Free Trade Association (EFTA), all disputes arising directly or indirectly from these Terms and Conditions or all contractual relationships established on the basis of these Terms and Conditions shall be settled in accordance with the Rules of Arbitration of the German Institution of Arbitration (DIS), to the exclusion of the ordinary courts of law. German law shall apply to this arbitration agreement. The arbitration tribunal shall consist of three arbitrators, one of whom shall be qualified to hold the office of judge in Germany. The place and conduct of the arbitration proceedings shall be Frankfurt am Main, Germany. The language of the arbitration proceedings shall be English.

16.9 If the Supplier has its registered office in the People's Republic of China, all disputes arising directly or indirectly from these Terms and Conditions or all contractual relationships established on the basis of these Terms and Conditions shall be settled under the Rules of Arbitration of the Hong Kong International Arbitration Center (HKIAC) to the exclusion of the ordinary courts of law. German law shall apply to this arbitration agreement. The court of arbitration shall consist of three arbitrators, at least one of whom is qualified as a judge in Germany. The place and conduct of the arbitration proceedings shall be Frankfurt am Main, Germany. The language of the arbitration proceedings shall be English.