

GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

1 Scope.

These General Terms and Conditions for the Purchase of Goods and Services (“GTC”) will apply to all goods and services (collectively “Supplies”) that NHK Spring Mexico, S.A. de C.V. (“Buyer”) purchases from Seller. The Supplies, the Buyer and the Seller are identified on the face of the Purchase Order into which these GTC are incorporated. “Purchase Order” includes documents titled “Purchase Order,” “Scheduling Agreement” or any other document, however titled, that performs the same function. Supplies include “Specialized Services,” which means those physical or intellectual services or execution of specialized works that do not form part of the corporate purpose or the predominant economic activity of Buyer and are carried out through the provision of personnel of the Seller for the benefit of Buyer. The Buyer and Seller are sometimes identified separately as a “Party” and collectively as the “Parties.”

2 The Contract.

2.1 Contract. The “Contract” is exclusively comprised of the Purchase Order, together with any associated Releases, these GTC, the applicable specifications, and any other documents specifically incorporated into any of them or separately agreed to in writing by the Parties, such as policies. Buyer’s request for quotation and Seller’s quotation are not included in the Contract unless specifically incorporated in the Contract and then only to the extent specified. These GTC prevail over any of Seller’s general terms and conditions regardless of whether or when Seller has submitted its sales confirmation or such terms. The Contract expressly limits Seller’s acceptance to the terms of the Contract.

2.2 Offer and Acceptance. Each Purchase Order is Buyer’s offer to purchase the Supplies on the terms of the Contract. The Contract is formed upon acceptance of the offer by Seller, which occurs if: (1) Seller commences work under the Purchase Order; (2) Seller accepts the Contract in writing; or (3) Seller fails to object or to propose alternate or additional terms in writing within 3 business days after receipt, whichever is earliest. If Seller timely objects to a Purchase Order or proposes alternate or additional terms, a Contract is formed only if and when Buyer and Seller mutually agree in writing as to the Contract terms, even if Seller commences or has already commenced performance under the Purchase Order. These GTC prevail over any of Seller’s general or special terms and conditions of sale. Any reference in a Purchase Order to any offer or proposal made by Seller is solely to incorporate the description or specifications of Supplies in the prior proposal, but only to the extent that the description or specifications do not conflict with the description and specifications in the Purchase Order. Any additional or different terms proposed by Seller, whether in Seller’s quotation, acknowledgement, invoice, general or special terms and conditions of sale or otherwise, are unacceptable to Buyer, are expressly rejected and objected to by Buyer, and will not become part of the Purchase Order, unless expressly accepted in a writing signed by Buyer. Notwithstanding anything to the contrary herein, if a written contract signed by both Parties is in existence covering the sale of the Supplies covered hereby, the terms and conditions of said contract shall prevail to the extent its terms are inconsistent with these GTC.

2.3 Entire Agreement. The Contract constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior oral or written representations or agreements by the Parties with respect to the subject matter of the Contract.

2.4 Changes to the Supplies. Buyer may from time to time by notice to Seller make changes to the drawings, specifications, materials, manufacturing processes or location, packaging, testing, quantity, time or method of delivery or shipment, or similar requirements prescribed in the Contract or in any Purchase Order of the Supplies (collectively “Buyer Change”). At Seller’s request and with reasonable supporting documentation, the Contract Price, as defined in Section 6, and times for performance will be equitably adjusted (up or down) to reflect the impact of the Buyer Change, which equitable adjustment shall be discussed in good faith by the Parties. Any claim by Seller for equitable adjustment under this Section will be deemed waived unless asserted in writing within 5 days from receipt by Seller of the Buyer Change. Seller may not make a change to the Supplies without Buyer’s written consent, but Buyer will not unreasonably withhold or delay consent to changes proposed by Seller. Price increases or extensions of time for delivery will not be binding on Buyer unless evidenced by a purchase order change notice issued and signed by Buyer. No substitutions, changes, or modifications of the ordered item will be made except upon Buyer’s written authority.

2.5 Other Changes Prohibited. Except for the changes described in Section 2.4, neither Party may make any changes to the Supplies, the manufacturing processes or location, or the Contract (including to the GTC) without the signed written agreement of each Party.

3 Supplies.

3.1 Quantities. Unless a fixed quantity is specified in the Purchase Order or elsewhere in the Contract, the Contract is a requirements contract, and Buyer will purchase and Seller will sell 100% of Buyer's requirements for the Supplies (or a specific percentage of requirements specified in the Contract.). In all events, Seller shall use best efforts to meet Buyer's quantities and delivery schedules. Buyer may return over-shipments to Seller at Seller's expense. The Contract is not exclusive.

3.2 Releases. Unless otherwise stated in the Contract, Buyer will communicate its delivery date and quantity requirements to Seller through periodic written "Releases." Releases specify the firm quantities and delivery dates. Seller will deliver the Supplies in accordance with the Releases.

3.3. Inputs. Seller is responsible for obtaining and maintaining at its expense all materials, components, inventories, and other resources ("Inputs") reasonably necessary to meet Buyer's Releases.

3.4 Forecasts. Buyer or its Customer may provide Seller with forecasts or estimates of delivery times and quantities, estimated program length or similar information for periods beyond the firm Release period, whether in Releases or other documents. All such information constitutes estimates provided for planning purposes only, is subject to change from time to time, and will not be binding upon Buyer or Seller.

3.5 Service Parts

3.5.1 Current-Model Service Requirements. During the vehicle production period (*i.e.*, the period in which the vehicle in which the Supplies are used is in serial production), Seller will make Supplies available to Buyer for Buyer's current-model service requirements at the then-current production prices under the Contract. If only components of the Supplies are ordered for service purposes, the price shall be equitably determined by the Parties.

3.5.2 Past-Model Service Requirements. After the vehicle production period, Seller will make Supplies available to Buyer for Buyer's past-model service requirements for a period of 15 years. The price will be the production price at the end of the vehicle production period for a period of 5 years, thereafter the Parties shall negotiate in good faith the price for the remaining 10 years. If only components of the Supplies are ordered for service purposes, the price shall be equitably determined by the Parties.

3.5.3 Effect of Termination. Seller's obligations under Section 3.5 will survive termination, except that the obligations will terminate if the Contract is terminated by Buyer pursuant to Section 15.2 or Seller pursuant to Section 15.3.

3.6 Specialized Services. If Seller provides Specialized Services, pursuant to Article 13 of the Federal Labor Law, it shall comply with the following requirements in this Section 3.6.

3.6.1 REPSE. Seller shall have the Registry of Specialized Service Providers or Specialized Works in force ("REPSE"), issued by the Ministry to Labor and Social Welfare for the services to be provided.

3.6.2 Personnel. Seller shall not subcontract their personnel and must hire all personnel directly.

3.6.3 Compliance. Seller shall comply with its labor, tax, and social security obligations, and its obligations under Article 15 of the Federal Labor Law and other applicable provisions.

4 Packing and Shipping.

4.1 Packing. Seller will comply with Buyer's instructions regarding the method of packing, transporting, storing and labelling, as well as associated documentation requirements. If Buyer has not provided such instructions, Seller will pack and ship Supplies in accordance with industry standard practices. If Seller is required to use Buyer's returnable packaging, Seller will be responsible for cleaning and returning the returnable packaging. Unless otherwise set forth in any Purchase Order, the cost of packing, marking, insuring the Supplies in transit and shipping the Supplies shall be borne solely by Seller.

4.2 Shipping. Unless otherwise stated in the Contract, Supplies will be delivered as follows, based on the origin of the Supplies: Supplies originating from Mexico shall be delivered DDP (Delivered Duty Paid) Buyer's facility (Incoterms 2020); Supplies originating from the USA shall be delivered FCA (Free Carrier) Laredo (Incoterms 2020); and Supplies originating from Japan shall be delivered CIF (Cost, Insurance, and Freight) to the ports of Manzanillo, Guadalajara, or Querétaro (Incoterms 2020). If Seller fails to deliver the Supplies in full on the delivery date, Buyer may terminate the Contract immediately by providing written notice to Seller and Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Seller's failure to deliver the Supplies on the delivery date. Seller acknowledges that time is of the essence with respect to Seller's obligations hereunder and the timely delivery of the Supplies. If Supplies are not ready for delivery in time to meet Buyer's delivery date, except where the delay results from Buyer's actions, Seller shall be responsible for any additional costs of any resulting expedited or other special transportation. If at any time Seller has reason to believe that the delivery of any Supplies may not be made in strict conformity with applicable delivery schedules, Seller shall immediately notify Buyer in writing and set forth the cause for the delay, so that the Parties can work together to reach an expedition resolution. Title to, and risk of loss of and damage to, the Supplies passes to Buyer upon delivery of such Supplies at the delivery location. Prior to delivery, Seller shall bear all risk of loss or damage to the Supplies. In addition to any other insurance requirements set forth in Section 22, Seller agrees to insure, and/or shall cause any carrier engaged by Seller to insure, the Supplies up to their full replacement value at all times during transport.

5 Inspection.

Buyer or its representatives may, upon reasonable advance notice to Seller, inspect production processes, audit records and conduct reasonable testing at any premises where Supplies are performed or manufactured for the sole purpose of verifying Seller's performance under the Contract. Buyer is not required to inspect Supplies, and no inspection or failure to inspect will reduce or alter Seller's obligations under the Contract or reduce Buyer's remedies. Notwithstanding prior inspections, all Supplies are subject to final inspection and approval at Buyer's plant or other place designated by Buyer and, notwithstanding any payment that may be made, no Supplies are deemed accepted until such final inspection and approval. Buyer's inspection before, during or after manufacture and delivery will not constitute a waiver of the right of subsequent rejection by reason of any undiscovered or latent defect. Buyer may return rejected Supplies at Seller's expense. Seller will not replace Supplies returned as defective unless so directed by Buyer in writing.

6 Price.

"Contract Price" means the unit price stated in the Purchase Order. Unless otherwise specified in the Purchase Order or required by law, the Contract Price includes all packaging, transportation costs to the delivery location, insurance, customs duties, fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the Contract Price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Buyer.

7 Payment.

Payment terms are as set forth in the Contract or, if not stated, 30 days net, except for any amounts disputed by Buyer in good faith. Seller will promptly submit correct and complete invoices or other agreed billing communications with appropriate supporting documentation and other information reasonably required by Buyer after delivery of Supplies, and Buyer may withhold payment until a correct and complete invoice or other required information is received and verified. Buyer will pay Seller in the currency specified in the Contract or, if none is specified, in Mexican Pesos. Buyer may set off or deduct from sums owed to Seller under the Contract those sums owed by Seller to Buyer. Seller shall continue performing its obligations under the Contract notwithstanding any good faith payment dispute, and no acceptance of performance, or delay in exercising any right, remedy, power or privilege, shall constitute a waiver of

either Party's rights to seek any other right, remedy, power or privilege under the Contract. If Seller provides Specialized Services, payment by Buyer is conditioned on Seller's compliance with REPSE related requirements under the law.

8 Warranties.

8.1 Seller's Warranties. During the warranty period, Seller warrants to Buyer that the Supplies will: (i) be free from defects in workmanship, design, and materials; (ii) be of good workmanship and material; (iii) be merchantable; (iv) be fit and sufficient for the particular purposes intended by Buyer and any customer of Buyer; (v) conform to the specifications, drawings, samples, brochures, manuals, and performance requirements furnished by Buyer or Seller; (vi) conform to applicable Laws, as defined in Section 10, (vii) comply with any applicable safety standards, such as motor vehicle safety standards; (viii) be new, not used, refurbished or reconstituted; (ix) will not infringe the proprietary rights of any third party. Unless otherwise specified in the Contract, the warranty period is the period for which the automobile manufacturer warrants the Supplies to end users or, if the Supplies are not warranted to end-users, 12 months from delivery of the Supplies. Seller also warrants to Buyer that it will transfer to Buyer ownership and good title to the delivered Supplies, free of all liens, encumbrances, and rights of third parties (except those created by Buyer). Seller further warrants that (x) all Supplies furnished by Seller will be performed in a good and workmanlike manner, in accordance with any established professional standards for similar services, and with the best practices in Seller's industry, (y) any reports, drawings, advice, formula, protocol and other deliverables of such Supplies will comply with all applicable laws, regulations, codes and ordinances, and (z) none of such Supplies, reports, drawings, advice, formula, protocol or other deliverables of such Supplies, nor the use thereof by Buyer will infringe the proprietary rights of any third party. The foregoing warranties shall survive inspection, delivery and payment, and shall run in favor of Buyer, its successors and assigns and its customers, whether direct or indirect. Seller will determine the particular purposes for which all Supplies purchased by Buyer are required and will utilize its skill and judgment to select and furnish suitable Supplies, and Seller acknowledges that Buyer is relying on Seller to do so.

8.2 Non-Conforming Supplies. In addition to all other rights and remedies provided under the Contract, Buyer's remedy for Supplies that do not conform to the warranties in Section 8.1 will be, in its sole option, to (i) reject the non-conforming Supplies; (ii) retain the non-conforming Supplies at an adjusted price, (iii) require Seller, at Seller's expense (including applicable shipping costs necessary to meet delivery schedules and avoid interruption), to either repair or replace the non-conforming Supplies; and (iv) if repair or replacement is infeasible, require Seller to refund the purchase price. In addition, Buyer may: (i) require Seller to implement at Seller's expense containment, inspection, sorting, and other quality assurance procedures if Buyer reasonably determines (through statistical sampling or other quality assessments) that a substantial quantity of incoming Supplies do not conform to the warranties in Section 8.1; and (ii) require Seller to reimburse Buyer for any costs and expenses incurred in the repair or replacement of defective Supplies that had been installed during production of a new vehicle or other product. Buyer will be reimbursed by Seller for all of its costs and expenses in connection with the storage, handling, packing, and/or transporting of any such defective or otherwise non-conforming Supplies, and Seller assumes all risk of loss or damage in transit to Supplies returned by Buyer pursuant hereto. Buyer will provide Seller with access to any available warranty data related to the Supplies and any available field-returned Supplies.

8.3 Recalls. This Section 8.3 applies to any voluntary or government-mandated recall by Buyer (or the vehicle manufacturer) to vehicle purchasers to remedy a defect (a "Recall"). Seller will be liable for costs and damages resulting from a Recall if the Recall results in whole or in part from a failure of the Supplies to conform to the warranties in Section 8.1 during the warranty period specified in the Contract, in addition to all other rights or remedies which Buyer may have under the Contract or at law. As a condition precedent to Seller's liability under this Section 8.3, Buyer must (i) notify Seller as soon as practicable after Buyer learns that a Recall being considered implicates the Supplies; (ii) provide Seller with any available performance evaluations, accident reports, engineering investigations, and other data relating to the potential Recall; (iii) provide Seller a reasonable opportunity to participate in inquiries and discussions among Buyer, its customer, and governmental agencies regarding the need for and scope of the Recall.

9 Indemnification.

9.1 Indemnification. Seller will indemnify, defend, and hold harmless Buyer from and against third-party claims or demands ("Claims") for injury or death to persons, property damage, economic loss, and any other damages, losses, costs, and expenses (including reasonable legal fees) (collectively, "Loss"), regardless of whether the claim or demand

arises under tort, contract, strict liability, or other legal theories, resulting or arising from: (i) Seller's defective design or manufacture or provision of Supplies; (ii) Seller's delivery of non-conforming Supplies; (iii) the failure of the Supplies to comply with the Seller's warranties at Section 8; (iv) Seller's failure to comply with applicable law; or (v) Seller's acts or omissions, negligence, or willful misconduct in its performance under the Contract.

9.2 Procedure. Buyer will notify Seller promptly after Buyer becomes aware of the basis for a Claim under this Section 9 or under Section 11.7, provided that the failure to give such notice shall not, however, relieve Seller of its indemnification obligations, except and only to the extent that Seller forfeits rights or defenses by reason of such failure. Buyer, may, at Buyer's option, assume and control the defense of the claim, and in such case, Seller shall indemnify Buyer from and against losses, damages, costs and expenses (including attorneys' fees, court fees, and other defense costs) incurred by Buyer in defending such claims. If Buyer decides not to assume the defense of a claim, then Seller shall assume and control the defense of such claim, at Seller's expense and by Seller's own counsel (which counsel shall be subject to the approval of Buyer, which approval will not be unreasonably withheld, conditioned, or delayed); provided that Buyer shall have the right to participate in the defense of any claims with counsel selected by it at Buyer's expense. Buyer and Seller shall cooperate with each other in all reasonable respects in connection with the defense of any such claims. Notwithstanding any other provision of the Contract, Seller shall not consent to the entry of any judgment or enter into any settlement of any claims without the prior written consent of Buyer.

10 Compliance with Laws.

Seller will comply with all applicable laws, ordinances, rules and regulations ("Laws"), as such Laws may be enacted and/or revised from time to time, including all Laws pertaining to: (a) manufacture, sale, delivery, and/or use of the Supplies; (b) occupational safety and health; (c) protection of persons and property from death, injury or damage; (d) labor and employment; (e) tax; (f) export control; (g) the environment and the use, handling, storage, labeling, and disposal of toxic or hazardous materials; (h) money laundering, anti-terrorism, trade embargos, and economic sanctions; (i) anti-bribery, anti-extortion, and anti-corruption, (j) data protection and privacy, and (k) applicable REPSE and other Mexican laws and regulations. Seller will also comply with the following principles: (l) preservation of human rights; (m) elimination of forced compulsory and child labor; (n) positive and negative freedom to association; (o) elimination of discrimination on the basis of gender, race, origin, religion or belief, membership of a trade union or the like, handicap, age, sexual identity, nationality, marital status, political affiliation, veteran status, or other characteristics protected by law; (p) protection from individual arbitrary personnel measures and maintenance of employability by training and continuing education; (q) maintenance of adequate social working conditions; (r) provision of conditions that enable employees to enjoy a reasonable standard of living and remuneration, which permits employees to secure their livelihoods, including their social or cultural participation; (s) implementation of equal opportunities and family-friendly policies and the protection of indigenous rights; and (t) respect of animal warfare. Upon request by Buyer, Seller will provide Buyer with evidence of such compliance and all information reasonably required for Buyer to comply with any applicable Laws. Seller shall obtain all applicable permits and licenses required in connection with its obligations under the Contract. Seller will provide Buyer with accurate material safety data sheets regarding the Supplies. To the extent not prohibited by Law, Seller will promptly notify Buyer in writing of any investigation or inquiry into whether Seller (or any of its subcontractors) is charged with failing to comply with any Laws that will or may impact, or otherwise applicable to, on or more Supplies and/or Seller's performance under the Contract.

11 Intellectual Property Rights.

11.1 Definitions.

11.1.1 "Intellectual Property Right" means any patent, trade secret, trademark, service mark, copyright, mask work, or other intellectual property right.

11.1.2 "Background Intellectual Property Rights" means any Intellectual Property Rights of either Buyer or Seller relating to the Supplies (i) existing prior to the effective date of this Contract or prior to the date Buyer and Seller began any technical cooperation relating to the goods or services contracted, whichever is earlier; or (ii) that each Party acquires or develops after these dates but in a strictly independent manner and entirely outside of any work conducted under the Contract.

11.1.3 “Foreground Intellectual Property Rights” means any Intellectual Property Rights, except Background Intellectual Property Rights that are developed in connection with this Contract.

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

11.3 Foreground Intellectual Property. All Foreground Intellectual Property Rights shall, as of its creation, vest in and become the absolute property of Buyer. The Seller shall transfer, or shall ensure the transfer of, any Foreground Intellectual Property Rights to Buyer with full title guarantee and the Seller shall take all necessary actions, or shall ensure that the necessary actions are taken (including signing any documents), to ensure that such Foreground Intellectual Property vest in full with Buyer in accordance with this Section 11.3.

11.4 Seller’s License Rights. Buyer grants to Seller a license to use Buyer’s Background Intellectual Property solely in connection with and only as necessary for the performance of Seller’s obligations under the Contract. For clarity, Supplies manufactured based on Buyer’s drawings, designs, and/or specifications as well as any software code or models provided by Buyer may not be used for Seller’s own use or sold to third parties without Buyer’s express written authorization.

11.5 Seller’s Intellectual Property. Except as stated in this Section 11, Seller does not transfer to Buyer any Intellectual Property Right of Seller related to the Supplies (except for Foreground Intellectual Property), other than the right to incorporate Supplies purchased from Seller in vehicles and component parts and to sell those vehicles and component parts to the public. If the Contract is terminated by Seller or Buyer pursuant to Section 15.2 or 15.3, Seller grants to Buyer a non-exclusive right and license to use Seller’s Intellectual Property Rights during the Contract term that would have applied had the Contract not been earlier terminated and, to obtain from alternate sources products and services similar to the Supplies for use only in vehicles or component parts covered by the terminated Contract.

11.6 Buyer’s License Rights. Seller grants to Buyer, and its affiliates, the non-exclusive, perpetual, irrevocable, fully paid, worldwide right and license, with rights to grant sublicenses to Buyer’s affiliates, to use Seller’s Background Intellectual Property to make, have made, use, reproduce, modify, improve, prepare derivative works of, distribute, display, perform, offer to sell, sell and import the goods or services that are the subject of this Contract (the “License”). The term of the License shall not extend beyond the expiration date of this Contract.

11.7 Infringement. Seller will indemnify, hold harmless, and defend Buyer, its affiliates, and its customers from and against any and all third-party claims, liabilities, losses, damages, costs, and expenses, including reasonable legal fees, arising out of the actual or alleged infringement by the Supplies of a third-party Intellectual Property Right. If a claim under this Section 11.7 results, or is likely to result, in an injunction or other order that would prevent Seller from supplying or Buyer from using Supplies for their intended purpose, Seller will, at its option and expense, either (i) secure a license of the Intellectual Property Right that permits Seller to continue supplying the Supplies to Buyer; or (ii) modify the Supplies so that they become non-infringing, so long as the modification does not alter in any substantial manner the operation or performance of the Supplies, or (iii) replace the Supplies with a non-infringing but practically equivalent alternative that does not alter in any substantial manner the operation, purpose, or performance of the Supplies for their intended purpose.

11.8 Copyright. To the extent that this Contract is issued for the creation of copyrightable works, the works will be considered “works made for hire” for Buyer except to the extent that the works do not qualify as “works made for hire” for Buyer, in which case Seller hereby assigns to Buyer all right, title and interest in all copyrights and, if lawfully permitted, waives all moral rights therein.

12 Buyer’s Property.

12.1 Definition. Buyer will own the tooling, jigs, dies, gauges, fixtures, molds, patterns, supplies, materials, and other equipment and property used by Seller to manufacture, store, and transport Supplies (“Property”) if (i) Buyer or its customer has provided the Property; or (ii) Buyer or its customer has fully paid for the Property (in either case, “Buyer’s Property”). Seller will not purchase any Property for the account of Buyer or charge Buyer for any Property except as authorized in writing by Buyer. Seller will assign to Buyer contract rights or claims in which Seller has an

interest with respect to Buyer's Property and execute bills of sale, financing statements, or other documents reasonably requested by Buyer to evidence its or its customer's ownership of Buyer's Property. Seller will indemnify and defend Buyer against claims or liens adverse to Buyer's or its customer's ownership of Buyer's Property. Seller will hold Buyer's Property on a bailment basis and will be responsible for loss or damage to Buyer's Property while in its possession or control. To the extent permitted by law, Seller waives any lien or similar right it may have with respect to Buyer's Property.

12.2 Maintenance. If applicable, Seller will (i) at its expense, maintain Buyer's Property in good condition and repair, normal wear and tear excepted, throughout the useful life of Buyer's Property; (ii) use Buyer's Property only in connection with its performance under the Contract, unless Buyer otherwise approves in writing; (iii) at Buyer's request and expense, mark Buyer's Property as belonging to Buyer or its customer; and (iv) not remove Buyer's Property (other than shipping containers and the like) from Seller's premises without Buyer's written approval. All replacement parts, additions, improvements, and accessories to Buyer's Property will become part of Buyer's Property.

12.3 Payment. Buyer will pay for Buyer's Property that Buyer is required to purchase at the amount specified in the Contract or, if no amount is specified in the Contract, at (i) if manufactured by a third party, Seller's actual cost; or (ii) if manufactured by Seller, Seller's actual cost of purchased materials, components, and services. Unless otherwise stated in the Contract, final payment for Buyer's Property is due (i) on the PPAP (Production Part Approval Process) approval date; or (ii) within 60 days after the Property is tendered for PPAP approval if no action has then been taken on the request for PPAP approval.

12.4 Possession. Subject to Section 12.3, Seller will immediately release to Buyer upon request, and Buyer may retake immediate possession of, Buyer's Property at any time, with or without cause and without payment of any kind unless otherwise provided in the Contract. Seller will release the requested Buyer's Property FCA (Incoterms 2020), properly packed and marked in accordance with the requirements of Buyer's carrier. If the release or recovery of Buyer's Property or other property renders Seller unable to produce Supplies, the release or recovery will be deemed a termination of the Contract by Buyer for convenience with respect to those Supplies. If Buyer and Seller dispute in good faith whether Buyer's Property has been paid in full, Seller will release and allow Buyer possession upon payment by Buyer of the undisputed portion of the amount claimed by Seller to be owed. Seller's relinquishment of possession will not prejudice any claim or right to payment of Seller for the disputed amounts.

12.5 Failure to Release Buyer's Property. If Seller does not release Buyer's Property in accordance with Section 12.4, Buyer may, at Seller's cost, (i) obtain an immediate court order for possession, and (ii) enter Seller's premises, with or without legal process, and take immediate possession of Buyer's Property. To the extent permitted by law, Seller waives any right to object to Buyer's repossession of Buyer's Property in a bankruptcy or other proceeding.

13 Seller's Property.

Seller will own all Property that is not Buyer's Property ("Seller's Property"). Seller will, at its expense, furnish, maintain in good condition, and replace when necessary Seller's Property needed to perform the Contract. While a Contract for Supplies remains in effect, Buyer may purchase Seller's Property used exclusively to produce those Supplies and not needed by Seller to produce Supplies or products for other customers, for a purchase price equal to the lesser of fair market value or Seller's unamortized acquisition cost.

14 Default.

14.1 Events of Default. Subject to Section 19, Seller will be in "Default" under the Contract if it: (i) fails to perform or breaches any obligation under the Contract; (ii) repudiates or threatens to refuse to perform any of its obligations under the Contract; (iii) fails to deliver, or threatens not to deliver, Supplies in connection with the Contract; (iv) fails to meet reasonable quality requirements so as to endanger timely and proper performance of the Contract; (v) makes an assignment for the benefit of creditors in violation of the Contract; (vi) becomes a debtor in a bankruptcy, insolvency, receivership, or similar proceeding commenced by a third party that is not dismissed within 30 days after commencement; (vii) fails to provide adequate assurance of performance under the Contract within 5 business days after written demand by Buyer; or (viii) at any time in Buyer's reasonable judgment that Seller's financial or other condition or progress on the Contract will be such as to endanger timely performance. Buyer will be

in Default under the Contract only for non-payment for Supplies which are 30 or more days past due, or as otherwise set forth in any Purchase Order, and then only if: (a) Seller provides Buyer written notice specifying the amounts past due; and (b) Buyer, within 30 days after receiving that notice, does not either pay the past due amounts or notify Seller that the amounts claimed to be unpaid are disputed by Buyer.

14.2 Remedies. Seller acknowledges that, in entering into any Purchase Order, Buyer depends upon Seller for the timely supply of the Supplies. Seller agrees that Buyer shall have the right to compel specific performance of any Purchase Order by Seller, or alternatively, in Buyer's discretion, to terminate the Purchase Order upon written notice to Seller in the event of a Seller Default. In any such event, Buyer may cancel the Purchase Order, in whole or in part, without any liability, except for any payment due for Supplies delivered and accepted through the date of termination. Upon any such termination, Buyer shall also have the right to take title to and possession of Buyer Property in Seller's possession and all or any other part of work performed by Seller or paid for by Buyer through the date of termination. Buyer shall also be entitled to recover from Seller all losses, expenses and damages of every kind and nature, including, but not limited to, actual out of pocket costs, attorneys' fees, court costs, incidental and consequential damages and lost profits, which Buyer may suffer as a result of any Seller Default. The remedies set forth in this Section 14.2 shall be cumulative and in addition to all other rights and remedies otherwise available in the Contract or at law.

14.3 Damages. Subject to Section 14.2, either Party may recover from the other Party direct damages caused by the other Party's breach of the Contract. For clarity, if Buyer terminates the Contract pursuant to Section 15.3, Buyer's direct damages include its costs incurred to relocate the work to an alternate source.

14.4 Limitation of Damages. IN NO EVENT WILL BUYER BE LIABLE TO SELLER FOR INDIRECT, SPECIAL, CONSEQUENTIAL (INCLUDING LOST PROFITS OR MARKET SHARE OR DAMAGE TO BRAND VALUE), INCIDENTAL, PUNITIVE, AND EXEMPLARY DAMAGES, WHETHER OR NOT FORESEEABLE, TO THE EXTENT PERMITTED BY APPLICABLE LAW.

15 Duration and Termination.

15.1 Duration. The Contract will remain in effect for the Term, unless earlier terminated in accordance with Sections 15.2 or 15.3. "Term" means the time period specified in the Contract or, if the Contract does not specify a term, the period in which the original vehicle program into which the Supplies are incorporated is in production, including any extensions or renewals.

15.2 Termination for Convenience.

Buyer may terminate the Contract for convenience on at least 60 days written notice.

15.3 Termination for Default. Upon the occurrence of a Default by a Party, the other Party may terminate the Contract by notice, effective upon the date specified by the terminating Party in writing.

15.4 Seller's Obligations on Termination. Following notice of termination, Seller will comply with Buyer's reasonable instructions to provide Transition Support during the Transition Support Period. "Transition Support Period" means: (i) if termination is by Seller for Default, the date specified by Seller, but not less than thirty days from the termination notice; (ii) otherwise, the period reasonably needed by Buyer to complete an orderly transition to the alternate Seller, but not to exceed 360 days from the termination notice. All amounts due to Seller for Supplies provided during the Transition Support Period shall be invoiced and paid for in accordance with Section 7 during the Transition Support Period. "Transition Support" means that Seller will: (a) at no cost to Buyer, promptly provide all reasonable information and documentation requested by Buyer, including information regarding and access to Seller's manufacturing process, on-site inspections, bill-of-material data, tooling and process detail and samples of Supplies and components; (b) continue to fill Buyer's reasonable requirements; (c) provide all notices necessary or desirable for Buyer to resource the Purchase Order to an alternative Seller; (d) provide a sufficient bank of Supplies covered by the Purchase Order to ensure the orderly transition to any alternative seller chosen by Buyer; (e) provide to Buyer all Buyer Property in good condition, reasonable wear and tear excepted; (f) assign to Buyer any or all supply contracts or purchase orders for raw material or components relating to the Purchase Order; and (g) use best efforts to provide special overtime production, storage and/or management of extra inventory of Supplies, extraordinary packaging and

transportation and other special services as expressly requested by Buyer in writing. Buyer will pay the reasonable, actual cost of the assistance under this Section 15.4, subject to reasonable documentation, and if the Parties disagree on the cost of Transition Support, Buyer will pay the agreed portion to Seller without prejudice to Seller's right to seek to recover any disputed amounts.

15.6 Buyer's Obligations on Termination or Expiration. Following termination or expiration for any reason, Buyer will purchase from Seller completed Supplies at the Contract Price and merchantable work-in-process, components and materials at Seller's actual cost, each of which will be owned by Buyer upon payment in full. In all cases, Buyer's obligations will be subject to documentation of costs reasonably requested by Buyer.

16 Information and Data.

16.1 Confidential Information. "Confidential Information" means trade secrets, specifications, drawings, notes, instructions, engineering data and analyses, compositions of matter, financial data, and other technical and business data which are supplied or disclosed by Buyer or Seller in connection with the Contract, in each case that are marked or otherwise identified as confidential or where their confidential nature is apparent at the time of disclosure. The Party disclosing Confidential Information is referred to herein as the "Disclosing Party," and the Party receiving Confidential Information is referred to herein as the "Receiving Party." Confidential Information will be deemed confidential and proprietary to, and remain the sole property of, the Disclosing Party. The Receiving Party may not disclose Confidential Information or use Confidential Information for any purpose other than as contemplated under the Contract without in each case the written consent of the Disclosing Party. Confidential Information will not include information that (i) is or becomes generally available to the public other than as a result of a violation of this Section 16 by the Receiving Party, (ii) was obtained by the Receiving Party on a non-confidential basis from a third party who had the apparent right to disclose it, or (iii) is legally required to be disclosed. Buyer and Seller will each use the same degree of care to safeguard Confidential Information that it uses to protect its own confidential information from unauthorized access or disclosure (but not less than a reasonable degree of care). Upon request by the Disclosing Party, the Receiving Party will promptly return or destroy the original and all copies of Confidential Information received, except that each party may maintain one copy for legal purposes and need not delete or return copies stored through routine backup or archival processes and not accessible in the ordinary course.

16.2 Rights in Data. "Buyer Data" means all data and information: (i) provided to Seller by or on behalf of the Buyer or its Affiliates; (ii) obtained, developed or produced by Seller in connection with the Contract; or (iii) to which Seller has access in connection with the provision of the Supplies. "Affiliates" means an entity that controls, is controlled by or is under common control with Buyer. As between Buyer and Seller, all Buyer Data created, collected, generated, stored, transmitted, or otherwise processed is and will remain the property of Buyer. Seller will have no rights in or to such Buyer Data except as expressly set forth in the Contract. Further, Seller agrees that Buyer will own all derivative works of Buyer Data created by Seller but not containing the Seller's Confidential Information, including, but not limited to reports and analysis tools. Seller has a limited, non-exclusive, non-transferable, and revocable license to access, copy, and use the Buyer Data solely for the performance of the Contract.

17 Cybersecurity.

17.1 Enterprise Cybersecurity. Seller must: (i) maintain reasonable, risk-based cybersecurity programs, supported by appropriate technical and operational measures including policies and procedures, to protect the confidentiality, integrity, and availability of Confidential Information and Buyer Data, prevent disruption of the production or delivery of Supplies, and respond in a timely and effective manner to any cybersecurity incident that may compromise any Confidential Information and Buyer Data or disrupt production or delivery of Supplies; (ii) promptly, but no less than 48 hours subsequent to Seller's first knowledge of the incident, notify Buyer of any attempted or actual unauthorized possession, access, use, or knowledge of Buyer's Confidential Information and Buyer Data by any person or entity that may become known or suspected by Seller; (iii) promptly furnish all known details of the attempted or actual unauthorized possession, access, use, or knowledge; (iv) take commercially reasonable measures to investigate, remediate or prevent the recurrence of any incursion or attempted or actual unauthorized possession, access, use, or knowledge of Confidential Information and Buyer Data; and (v) upon request, at Seller's expense, demonstrate compliance through a third-party audit or other reasonable measure agreed upon by Buyer.

17.2 Product Cybersecurity. Seller must maintain a reasonable, risk-based program, supported by appropriate technical and operational measures including policies and procedures, to ensure the cybersecurity of any Supplies that include software, hardware, or other electrical components. Seller's product cybersecurity program must provide for security by design, vulnerability management, governance, and any other elements identified by Buyer in a manner consistent with industry best practices, including but not limited to ISO/SAE 21434.

17.3 Supply Chain Cybersecurity. Seller will ensure its subcontractors are contractually bound to comply with the provisions of this Section 17 or its equivalent.

17.4 No Personal Data. No Personal Data protected under applicable Law is or will be disclosed or processed by either Party.

18 Assignment and Subcontracting.

Subject to compliance with any applicable REPSE requirements, Seller may not assign or subcontract its duties or responsibilities under the Contract without the prior written consent of the Buyer. Unless otherwise stated in the consent, any assignment or subcontracting by Seller, with or without the required consent, will not relieve Seller of its duties or obligations under the Contract or its responsibility for non-performance or Default by its assignee or subcontractor.

19 Excusable Non-Performance.

A delay or failure by either Party to perform its obligations under the Contract will be excused, and will not constitute a Default, only if and to the extent caused by an event or occurrence beyond the reasonable control of that party and without its fault or negligence, and which by its nature could not have been foreseen by such Party, of it could have been foreseen, was unavoidable (an "Excusable Event"). Seller's economic hardship or changes in market conditions are not considered Excusable Events. Seller shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Excusable Event are minimized and resume performance under this Contract promptly upon the conclusion of any Excusable Event. The Party unable to perform will give notice of the non-performance (including its anticipated duration) to the other Party promptly after becoming aware that it has occurred or is reasonably likely to occur, followed by prompt notices of any material changes in the facts relative to its ability to perform and/or the anticipated duration of the non-performance. Seller and Buyer will share information, confer, seek agreement and otherwise act cooperatively to avoid or mitigate the effects of the potential or actual excused non-performance. If Seller is unable to perform for any reason, Buyer may purchase Supplies from other sources and reduce its purchases from Seller accordingly without liability to Seller. Within three business days after written request by the other Party, the non-performing Party will provide adequate assurances that the non-performance will not exceed 30 days. If the non-performing Party does not provide those assurances, or if the non-performance exceeds 30 days, the other Party may terminate the Contract pursuant to Section 15.2 by notice given to the non-performing Party. Seller will allocate any limited supply of the Supplies covered by the Contract to the fulfillment of its obligations under the Contract before allocating any of such supply to its other customers or to Seller's use in its own operations.

20 Labor Contracts.

Seller will notify Buyer of a labor contract expiration date at least six months (6) before the expiration of a current labor contract that has not yet been extended or replaced. Buyer may thereafter direct Seller in writing to manufacture up to 30 days of additional inventory of Supplies, specifying the quantities of Supplies required and any packaging and storage requirements. Seller will use commercially reasonable efforts to comply with Buyer's written directions prior to expiration of the current labor contract and until the current labor contract has been extended or a new contract completed. By authorizing the additional inventory, Buyer commits to buy the entire quantity of conforming Supplies requested and produced. Seller is responsible for carrying costs and any additional costs of manufacture.

21 Customs.

Transferable credits or benefits associated with Supplies purchased, including trade credits, export credits, or rights to the refund of duties, taxes, or fees, belong to Buyer unless otherwise prohibited by applicable law. Seller will provide

Buyer with all information and records relating to the Supplies necessary for Buyer to (i) receive these benefits, credits, and rights; (ii) fulfill any customs obligations, origin marking, labeling, or disclosure requirements, and certification or local content reporting requirements; (iii) claim preferential duty treatment under applicable trade preference agreements or regimes; and (iv) participate in any duty deferral or free trade zone programs of the country of import. Seller will obtain all export licenses and authorizations and pay all export taxes, duties, and fees unless otherwise stated in the Contract, in which case Seller will provide all information and records necessary to enable Buyer to obtain those export licenses or authorizations.

22 Insurance.

Prior to commencing work on Buyer's premises or utilizing Buyer's Property, Seller will maintain and upon request furnish to Buyer a certificate evidencing (i) general liability insurance with coverage limits reasonably acceptable to Buyer; (ii) all risk property perils insurance covering the full replacement value of Buyer's Property while in Seller's care, custody, or control and naming Buyer as loss payee; (iii) worker's compensation insurance as required by applicable law; and (iv) other insurance required by applicable law. Insurance coverage required under this section will be subject to commercially reasonable self-insured retentions.

23 Miscellaneous.

23.1 Advertising. During and after the term of the Contract, Seller will not advertise or otherwise disclose its relationship with Buyer or Buyer's customers without Buyer's prior written consent, except as may be required to perform the Contract or as required by law.

23.2 Audit Rights. If requested by Buyer, the Seller will permit Buyer to examine all pertinent documents, data and other information relating to the Supplies, the Seller's obligations under any Purchase Order, or any payment made to the Seller during the term of the Contract and for a period of 12 months thereafter. Seller will maintain records as necessary to support amounts charged to Buyer under the Contract in accordance with Seller's document retention policies. Buyer further reserves the right to conduct inspections in accordance with Section 5. Any examination under this Section 23.2 will be conducted during normal business hours and upon advance written notice to Seller.

23.3 Electronic Communication. Seller will comply with the method of electronic communication specified by Buyer in Buyer's request for quotation and confirmed in the Contract, including requirements for electronic funds transfer, Purchase Order transmission, electronic signature, and communication. Seller will also make commercially reasonable efforts to comply with any modification to Buyer's specified method of electronic communication after the date of the Contract.

23.4 Relationship of the Parties. Buyer and Seller are independent contractors, and nothing in the Contract makes either Party the agent or legal representative of the other Party for any purpose. Neither Party has authority to assume or to create any obligation on behalf of the other Party.

23.5 Waiver. The failure of either Party to enforce any right or remedy provided in the Contract or by law on a particular occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.

23.6 Severability. A finding that any provision of the Contract is invalid or unenforceable in any jurisdiction will not affect the validity or enforceability of any other provision of the Contract or the validity or enforceability of that provision in any other jurisdiction.

23.7 Interpretation. When used in these GTC, "including" means "including without limitation," and terms defined in the singular include the plural and vice versa.

23.8 Notices. Any notice or other communication required or permitted in the Contract must be in writing and delivered by means and to the person(s) commercially reasonable under the circumstances. Notice will 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.

23.9 Governing Law and Forum. Unless otherwise agreed in writing, the Contract will be governed by and interpreted according to the laws of Mexico. The United Nations Convention on Contracts for the International Sale of Goods will not apply to the Contract. Any litigation arising out of or related to the Contract will be commenced in the federal or common courts of Irapuato City (Guanajuato, Mexico).

