

ZF Foxconn Chassis Modules Group

Non-Production Material
General Terms and Conditions of Purchase
(NPM GTCP)
Edition 07/2024

A. General Provisions

1. General

- a. ZF Foxconn Chassis Modules GmbH ("**ZFFCN**") means the legal entity registered in the German commercial register under HRB 220542 including any renaming thereof which might be executed and registered from time to time.
- b. If referenced to in any document by ZF Foxconn Chassis Modules GmbH, (or any or by any entity in which ZF Foxconn Chassis Modules GmbH directly or indirectly holds an interest of at least 50% ("**ZFFCN-Affiliates**", together with ZF Foxconn Chassis Modules GmbH: "**ZFFCN-Group**"), e.g. in a ZFFCN Purchase Order ("**PO**"), the legal relationship between the ordering ZFFCN-Group entity ("**Ordering ZFFCN-Entity**") with any kind of contract partner (hereinafter referred to as "**Supplier**", together with Ordering ZFFCN Entity the "**Parties**", Supplier or Ordering ZFFCN-Entity each individually a "**Party**") shall be governed by these Non-Production Material General Terms and Conditions of Purchase ("**NPM GTCP**").
- c. Other Terms and Conditions of the Ordering ZFFCN-Entity do apply in addition to these NPM GTCP, e.g. ZFFCN-Group Business Partner Code of Conduct, which can be found on www.zffcn.com. The inclusion of other Terms and Conditions of the Ordering ZFFCN-Entity and the determination of the order of precedence of all documents ("**Applicable Documents**"), which form the overall contract between the Parties shall be subject to the respective stipulations in the PO or other Ordering ZFFCN-Entity documents.
- d. In as much as general business terms and conditions of the Supplier are referenced including but not limited to order confirmations or similar documents, these shall be expressly deemed as not having been agreed upon.

2. Contract Conclusion, Business with ZFFCN-Group, Divestitures

- a. The conclusion of contracts and all subsequent amendments and additions thereto require an agreement between Supplier and Ordering ZFFCN-Entity via (i) written form with wet signatures, or (ii) an electronic system provided by Ordering ZFFCN-Entity or (iii) an advanced or qualified electronic signature within the meaning of EU Regulation No. 910/2014 of 01.07.2016 ("eIDAS Regulation") including any potential successor regulations or (iv) other electronic communication used with the aim of concluding contracts by Ordering ZFFCN-Entity (e.g. ZF DocuSign).
- b. Supplier's provision of any goods, works and/or services ("**Goods**") subject to a PO shall be regarded as declaration of full, irrevocable and irreversible acceptance of the respective PO and thus also leads to the conclusion of a contract on the basis of the respective PO.
- c. Furthermore, if Supplier does not reject a PO in written form within 5 (five) working days after its receipt, such PO including all Applicable Documents shall be deemed to have been accepted by Supplier.
- d. Parties may agree on the option of a ZFFCN-call-off procedure regarding Goods during the contract period ("**Call-Off**"). Even in case Call-Offs conflict with the agreed call-off delivery conditions (e.g. with regard to minimum/maximum order quantities or lead times), Supplier shall be deemed to have accepted them as far as not rejected within 5 (five) working days after receipt of the respective Call-Off. If and to the extent that Call-Offs are in line with the Parties' contractual agreements, they cannot not be rejected by Supplier.
- e. With the approval of Ordering ZFFCN-Entity, ZFFCN-Affiliates may be substituted for Ordering ZFFCN-Entity (in full or in part) and thereby enter into the contract(s) with Supplier, who is obligated to deliver in accordance with these terms, including but not limited to, any software and service

contracts and any licenses granted thereunder.

- f. The revenue and turnover of Supplier with ZFFCN-Group shall be considered as joint revenue of one buying entity with Supplier when calculating or applying any volume discounts or any other commercial components in favor of the ordering Party depending on revenue or turnover. The respective turnover-share of ZFFCN and ZFFCN-Affiliates shall determine the allocation of any price reductions or bonuses in favor of ZFFCN-Group, if not stipulated differently by Ordering ZFFCN-Entity (“**Bonus Allocation Rule**”).

3. Goods and their provision, Ordering ZFFCN-Entity’s Obligation to Examine and Defects Notification

- a. Supplier must adhere to the generally accepted technical standards and the technical specifications and requirements for the respective PO, for example, but not limited to those contained in Ordering ZFFCN-Entity’s specification books, RFQ or any other information conveyed to Supplier.
- b. Supplier’s quotations, cost estimates and price specifications for the Goods represent the maximum costs or prices. Supplier quotations and comparable Supplier activities are free of charge unless otherwise expressly agreed.
- c. If Supplier provides Goods, in particular services, on premise of Ordering ZFFCN-Entity or of Ordering ZFFCN-Entity’s customers, it shall notify Ordering ZFFCN-Entity’s coordinator about the commencement date for and the scope of any work or services to be performed and agree on the procedures to be followed.
- d. Should Supplier be responsible for any works or services outside Supplier’s business location (e.g. set-up or installation), Supplier shall bear all incidental costs such as travel expenses, provision of tools and daily allowances.
- e. Upon receipt of the Goods, Ordering ZFFCN-Entity shall inspect them only with regard to obvious damage, in particular transport damage and deviations in identity and quantity and notify Supplier of such defects in due course of business. In all other respects, Ordering ZFFCN-Entity shall notify Supplier of any defects within due course of business after their discovery; insofar Supplier waives any objection of delayed notification of defects.
- f. Partial deliveries or performances are inadmissible unless expressly agreed to by Ordering ZFFCN-Entity in advance.
- g. The unconditional acceptance of a delayed Goods does not constitute a waiver of claims to which Ordering ZFFCN-Entity is entitled due to the delay.

4. Export and Customs

- a. Supplier shall obtain all applicable export licenses and required approvals unless their provision has been explicitly taken over by Ordering ZFFCN-Entity. Ordering ZFFCN-Entity will furnish Supplier with any end-user certificate or similar statement required by applicable law.
- b. Supplier must notify Ordering ZFFCN-Entity of the export classification of any Goods, including the used technologies, prior to delivery and/or performance. Supplier will inform Ordering ZFFCN-Entity of any classification changes thereto.
- c. In the event Supplier is unable to obtain the export licenses mentioned above or in the event Supplier obtains such licenses only after the agreed upon delivery or due date, Supplier shall immediately inform Ordering ZFFCN-Entity.
- d. Supplier is obliged to submit a (long-term) declaration of preferential origin to Ordering ZFFCN-Entity in case of Goods entitled to preference.

5. Due Dates, Prices and Payment Terms

- a. Deadlines and periods are binding for Supplier. Supplier must notify Ordering ZFFCN-Entity immediately of any delay and/or potential delay.
- b. Ordering ZFFCN-Entity will pay the prices stipulated in the PO – less deductions, if any – within the payment period defined in the PO after
 - aa. Goods have been fully furnished, and,
 - bb. Goods have been accepted by Ordering ZFFCN-Entity, as far as agreed upon or necessary, and

- cc. submission of an invoice by Supplier, meeting all applicable requirements.
- c. Unless otherwise explicitly agreed in written form, prices are considered total and fixed (including all expenses and charges of Supplier, e.g., for storage, handling, packaging, labelling and transportation) and neither surcharges, markups, premiums, additional expenses nor other additional charges of any type shall be added.
- d. Prices are not subject to increase, unless specifically stated in the PO, and Supplier assumes the risk of any event or cause increasing costs or prices, including without limitation, foreign exchange rates, increases in raw material costs, inflation, any non-fulfilment or decreasing of the purchasing volumes envisaged in the PO or any other documents, increases in labor and other production and supply costs, and any other event which impacts the price or availability of the Goods.
- e. Supplier's prices shall be exclusive of any taxes levied upon, or measured by, the sale, the sales price, or use of the Goods. Supplier shall list separately on its invoice any such tax lawfully applicable to the Goods and payable by Ordering ZFFCN-Entity as far as Supplier is not furnished with evidence of a tax exemption.
- f. Ordering ZFFCN-Entity may, in whole or in part, set off against or recoup any due claims of Ordering ZFFCN-Entity against Supplier or any entities affiliated with Supplier, from any payment obligation of Ordering ZFFCN-Entity or of ZFFCN-Group to Supplier or to any entities affiliated with Supplier.

6. Force Majeure

Neither party shall be liable for any failure to perform or delay in performing its obligations under this Agreement if such failure or delay is due to circumstances beyond its reasonable control, including but not limited to acts of God, war, terrorism, civil unrest, strikes or other labor disputes, fire, flood, natural disasters, government actions, or any other events that are unforeseeable and unavoidable ("Force Majeure Event").

The affected party shall promptly notify the other party in writing of the occurrence of a Force Majeure Event, providing reasonable details. The obligations of the affected party shall be suspended for the duration of the Force Majeure Event. If the Force Majeure Event continues for more than 30 days, either party may terminate this Agreement by giving written notice to the other party.

7. Subcontractors

- a. Supplier's transfer of its rights or obligations under the contracts between the Parties to third Parties, including entities affiliated with Supplier, requires Ordering ZFFCN-Entity's prior written consent, which shall not unreasonably be withheld.
- b. Supplier remains fully responsible and liable for all Goods and services towards Ordering ZFFCN-Entity.
- c. Supplier may not transfer the provision of Goods and services to independently employed individuals (freelancers).
- d. Further restrictions regarding the use of subcontractors agreed between the Parties shall remain unaffected.

8. Warranty and Liability, ZFFCN-Group Claims

- a. The warranty term and its beginning shall be governed by the statutory provisions for claims regarding defects but shall not be shorter than 2 years. A notice of defects of Ordering ZFFCN-Entity shall have the effect of suspending the limitation period for claims in respect of the respective defects until they have been fully remedied. Such suspension shall end three months after Supplier declared in written form, that the defects have been remedied or that no defect existed.
- b. The liability of Ordering ZFFCN-Entity and Supplier shall be governed by the statutory provisions. Ordering ZFFCN-Entity may enforce claims for damages of ZFFCN-Affiliates against Supplier as if they were Ordering ZFFCN-Entity's own claims.

- c. Supplier warrants that the Goods, including parts obtained from sub suppliers, shall be and remain free of defects during the warranty term.

9. Compliance

- a. Supplier shall fully comply with all applicable national and international laws and regulations, principles and recognized standards, including, but not limited to those regarding product compliance, product safety, environmental protection, employment, health and safety, export control and trade sanction.
- b. Supplier will implement, enforce, and continuously improve an appropriate compliance management system focusing, inter alia, on human rights and environmental due diligence obligations, and must ensure adherence to ZFFCN Business Partner Code of Conduct.
- c. Supplier will, if requested by Ordering ZFFCN-Entity, closely cooperate with Ordering ZFFCN-Entity in connection with all compliance obligations and fully inform and support Ordering ZFFCN-Entity in any reasonable respect in connection with compliance issues. These obligations are not limited to Supplier's own organization only, but Supplier must also ensure that they are adhered to by his own supply chain.
- d. In any case of breaches of compliance obligations, Supplier will immediately remedy such breaches.
- e. Supplier will be liable and hold Ordering ZFFCN-Entity harmless for any costs or damages caused by such breaches, including potential fines etc. due to any offenses being imposed on Supplier or on Ordering ZFFCN-Entity due to a compliance issue at Supplier or within Supplier's supply chain.
- f. In cases of any material breach of compliance obligations of Supplier, Ordering ZFFCN-Entity reserves the right to rescind and accordingly terminate the contracts with Supplier without prior notice; any other potential rights and claims of Ordering ZFFCN-Entity remain unaffected and are explicitly reserved.

10. IP, Freedom of Defects

- a. Supplier shall ensure that the Goods as well as the goods' manufacturing process are not in breach of any rights of third Parties, e.g. granted or registered property rights (in particular patent rights, utility model rights, copyrights, design rights, brand rights or other (intellectual) property rights). If a work protected by copyright is supplied, Ordering ZFFCN-Entity shall receive from Supplier a single, unrestricted usage right covering all forms of use. Supplier is liable for any expenses and damages (including legal costs) arising from the breach of third-party rights and shall indemnify Ordering ZFFCN-Entity against all claims and expenses arising from such breach. Supplier will notify Ordering ZFFCN-Entity of the use of any property rights of its own or the use of licensed property rights and property right registrations in connection with the Goods. Supplier undertakes to inform Ordering ZFFCN-Entity of any risks of (alleged) infringements without undue delay and to support Ordering ZFFCN-Entity appropriately without charge in the defense against possible claims.
- b. The liability and indemnification obligation of Supplier according to this clause do not exist if Supplier has produced the delivery objects in accordance with the detailed drawings or models provided to it by Ordering ZFFCN-Entity and has no knowledge, or does not have to have knowledge, that this would lead to an infringement of property rights in connection with the products developed by it.
- c. Supplier shall check all parts it obtains from third Parties regarding capability and freedom from defects, including an FTO-analysis.

11. IP Rights; Product Generated Data

- a. Supplier retains ownership of any patent, know-how, trade secret, trademark, service mark, copyright, or other intellectual property right that (i) is conceived solely by its employees and (ii) is related to the Goods or is otherwise provided to ZFFCN in connection with the supply of the Goods ("**Supplier's IP Rights**").
- b. Notwithstanding the foregoing, ZFFCN-Group retains ownership of, and Supplier's IP Rights do not include, specifications or other intellectual property rights (whether embodied in tooling or the Goods) that are created by Supplier or its subcontractors pursuant to instructions of ZFFCN-Group or as a result of development or tooling costs funded by ZFFCN-Group separately or by inclusion into the price of the Goods.

- c. Supplier grants to ZFFCN-Group a non-exclusive, royalty-free, irrevocable right and license, including the right to sublicense, to use Supplier's IP Rights for any reasonable purpose, including the right to: (i) make, have made, sell, offer to sell and distribute products, which are using Supplier's IP Rights within the agreed scope, anywhere in the world; (ii) repair or modify the Goods, (iii) whenever Supplier is not fully able to meet ZFFCN-Group's requirements, in particular regarding quality, quantity or competitiveness, to rebuild and reconstruct the Goods; and (iv) reproduce copyrighted materials related to the Goods, distribute such copyrighted materials to third parties, e.g. when a relocation of the Goods to another Supplier becomes necessary from ZFFCN-Group's reasonable point of view.
- d. ZFFCN Group retains ownership of and any other proprietary rights it may have in relation to any data that is collected, processed or generated by or in connection with the Goods after the putting into operation of the Goods or the products into which the Goods are incorporated ("**Product Generated Data**"). Supplier shall not access Product Generated Data, unless: (i) the Product Generated Data was furnished to Supplier by ZFFCN-Group or ZFFCN-Group's customer; or (ii) Supplier has obtained ZFFCN Group's prior written approval. Subject to applicable laws, ZFFCN-Group will have no obligation to grant access to or furnish Product Generated Data to Supplier, unless otherwise agreed in writing.

12. Assignment of receivables, Retention Rights, Economic Difficulties and Change of Control

- a. Without the prior written consent of Ordering ZFFCN-Entity, which shall not be unreasonably withheld, Supplier shall not be entitled to assign or to sell its receivables against Ordering ZFFCN-Entity to third Parties. If Supplier assigns its receivables against Ordering ZFFCN-Entity to a third party without Ordering ZFFCN-Entity's consent, the assignment shall remain effective. Ordering ZFFCN-Entity may however choose whether to make payment to Supplier or to the third party; either alternative shall have the effect of discharging the debt.
- b. Only regarding Supplier's own claims against Ordering ZFFCN-Entity, which are uncontested or have been confirmed by a final court decision binding Ordering ZFFCN-Entity, Supplier shall have the right of retention and/or to set off a Ordering ZFFCN-Entity's claim with such own claims.
- c. If Supplier suspends its performance or threatens to do so, or if an insolvency petition on Supplier's assets is rejected due to a lack of assets, Ordering ZFFCN-Entity shall be entitled to terminate the contract with immediate effect or to rescind the contract. Alternatively, Ordering ZFFCN-Entity shall be entitled to withhold a sum equivalent to at least 7.5 percent of the remuneration as security for claims under the contract, until the warranty period has elapsed.
- d. Supplier must inform Ordering ZFFCN-Entity promptly of impending or existing payment difficulties or where insolvency is possible or has been applied for.
- e. Supplier shall inform Ordering ZFFCN-Entity of any significant changes to its shareholding structure immediately in writing, even in situations when such changes need to be made public, e.g. by public registers. Insofar as such changes lead to a change in the control of Supplier (e.g. any gain of controlling influence by a third party) and the interests of Ordering ZFFCN-Entity and/or ZFFCN-Group are thus impaired to an unacceptable extent, Ordering ZFFCN-Entity has the right to terminate the contracts with Supplier for cause without a notice period.

13. Transition of Supply / Migration

- a. As soon as Supplier has provided Goods (especially IT services) for a period of at least six months, Supplier shall support Ordering ZFFCN-Entity on Ordering ZFFCN-Entity's request appropriately and subject to remuneration at usual market rates, but not above the agreed upon rates, to migrate to a different technical solution or to a different provider, while ensuring uninterrupted availability and/or supply of the affected Goods ("**Migration Support**").
- b. Such Migration Support includes the preparation of a migration concept with detailed planning of specific migration steps. Supplier will also offer hardware and software belonging to the infrastructure as well as other objects and rights necessary for the operation of the Goods to Ordering ZFFCN-Entity at usual market rates.

14. Confidentiality

For the period of the respective contractual or other business relationship between the Parties

(including any pre-contractual relationship) and five years thereafter, the following shall apply:

- a. Supplier shall treat all information (including data, drawings, models, patterns, samples, materials, specifications, techniques, results, know-how, etc.), of which it becomes aware or which arises in the course of its business relationship with Ordering ZFFCN-Entity, e.g. by receipt of an Request for Quotation and including information received from ZFFCN-Affiliates, Ordering ZFFCN-Entity's customers and other third Parties ("**Confidential Information**") as confidential and shall not make it available to third Parties. This applies also to the business relationship with Ordering ZFFCN-Entity itself.
- b. Information shall not be qualified as Confidential Information, as far as it
 - (1) were already known by Supplier at the time of receipt,
 - (2) were legally received by Supplier from a third party without confidentiality obligation,
 - (3) are in the public domain or enter the public domain through no wrongful act of Supplier; or
 - (4) have been developed independently by Supplierwhich has to be proven by Supplier.
- c. Supplier shall not exploit the Confidential Information but may only use it for the purpose of the business relationship of the Parties.
- d. Supplier will do everything appropriate to effectively protect all Confidential Information against access by unauthorized third Parties, and to secure it against misappropriation, loss, manipulation, damage or any unnecessary duplication. Supplier shall in any case exercise at least the same due care in connection with its confidentiality obligation as exercising when dealing with its own confidential information. If Supplier has reason to suspect that unauthorized third Parties have obtained access to Confidential Information, it will inform Ordering ZFFCN-Entity immediately, and, in consultation with Ordering ZFFCN-Entity, take all appropriate measures.
- e. The exchange of Confidential Information does not grant or imply any license rights or title in any Confidential Information or underlying intellectual property rights.
- f. Upon termination of the respective business relationship, or, if requested by Ordering ZFFCN-Entity, Supplier will – without having the right for retention – remove all data containing Confidential Information from its data processing equipment in a non-restorable way and will return all other Confidential Information – and will on request of Ordering ZFFCN-Entity, demonstrate and confirm that in writing.
- g. Supplier will make sure that his sub-suppliers are obligated similarly and shall be equally liable for all infringements of its sub-suppliers.

15. Data Protection

- a. Supplier shall comply with all applicable data protection laws.
- b. As a general rule, the Parties assume that neither Party will process personal data on behalf of the other Party in connection with their agreements. In the event that either Party anticipates that a Party will process personal data on behalf of the other Party in connection with the agreement, that party shall inform the other Party without undue delay. In this case, a data protection agreement shall be concluded as an attachment to the agreement where necessary according to applicable data protection laws. Without such data protection agreement neither Party shall process personal data on behalf of the other.
- c. If and to the extent that applicable data protection laws include transparency obligations that either Party may have towards employees and individuals representing the other Party, this other Party shall reasonably cooperate upon request of the obliged Party and by mutual agreement.
- d. General information on Ordering ZFFCN-Entity's processing of personal data and the rights of affected persons can be found in Ordering ZFFCN-Entity's data protection information at www.zf-foxconn.com, where applicable.

16. Miscellaneous

- a. If any provision of these NPM GTCP or any other the contract provision is invalid, this shall not affect the validity of the contract as a whole. The Parties shall agree on a provision which takes account of the interests of both sides.

- b. Amendments or additions to any contract between the Parties must be made in writing to be effective. This shall also apply to amendments of this written form requirement. Unless stipulated differently in these NPM GTCP, any electronic signatures (for example with DocuSign or Adobe Sign), as well as wet ink signatures, will be regarded for all purposes as originals and enforceable to the fullest extent permitted by applicable law.
- c. The place of performance for Goods shall be the location of the delivery address specified in the PO (“**Place of Performance**”).
- d. Unless otherwise agreed, the substantive laws at the Place of Performance shall apply. The application of the CISG (UN Convention on Contracts for the International Sale of Goods) is excluded.
- e. The courts having jurisdiction at the Place of Performance shall have exclusive jurisdiction for all present and future claims arising out of or in connection with the business relationship between the Parties. Ordering ZFFCN-Entity is also entitled to initiate legal action in the courts having jurisdiction at the place of the registered office of Supplier.

B. Region-Specific Provisions

The following clauses partly amend and/or supplement above Part A (General Provisions).

In case of conflicts between NPM GTCP and the Region-Specific Provisions, the provisions of the Region-Specific Provisions shall prevail.

1. Country-Specific Provisions Applicable to Chinese Law Contracts

If the Order is governed by Chinese law, pursuant to Section 16 or if otherwise agreed, the provisions of the NPM GTCP shall be amended as follows:

If the Goods include the provision of services in China, Supplier shall fulfill all necessary tax obligations in connection with its service provision in China (all corporate taxes, indirect taxes and taxes of its employees). Supplier shall provide Ordering ZFFCN-Entity and ZFFCN Affiliates with all certificates which are necessary to assure timely payment of all claims under the contracts by the Chinese service recipient.

2. Country-Specific Provisions Applicable to Contracts under EU Country Laws

If the Order is governed by an EU Country Law, pursuant to Section 16 or if otherwise agreed, the provisions of the NPM GTCP shall be amended as follows:

For materials and items, which, by virtue of their nature, their characteristics or their condition, may represent a hazard to the life and health of human beings, to the environment or to property and which are therefore required by regulations to undergo special treatment in respect of their packaging, transport, storage, handling and waste disposal, Supplier shall provide Ordering ZFFCN-Entity with a completed EU safety data sheet as per EU Regulation 1907/2006 (REACH), as amended, and a relevant accident report sheet (Transport). If materials are modified or are subject to modified regulations, Supplier shall provide Ordering ZFFCN-Entity with updated data and report sheets.