

# **GENERAL TERM&CONDITIONS OF PURCHASE**

## **1. GENERAL CONDITIONS OF PURCHASE**

These general term and conditions of purchase (GTCP) define the baselines on which the business and legal transactions are concluded between the suppliers, the Buyer and the consolidated or related companies in the relation with Booster Precision Components (BPC), for the purchase of goods, materials, and services for the execution pursuit of an ordinary activity.

GTCP are effective with the day of order acceptance. The Buyer reserves the right to set out special conditions for any particular Order, and such special conditions shall have priority over the GTCP.

BPC is entitled to cancel the Order or Open order release if the Supplier does not accept the Order within seven working days of receipt thereof.

Order releases within the framework of Order and Open order release planning become binding if the supplier does not object in written within two working days of receipt thereof.

Waivers of rights through implicit or tacit behavior are excluded. A waiver of rights declared in an individual case shall not have any effect beyond the individual case. The contractual provisions are exclusively subject to the Order and this GTCP. They replace any and all prior agreements concluded between the parties. Any changes and/or additions to the GTCP or Order require a written or electronic confirmation in Order to be valid. The same also applies to any changes to this clause itself.

This GTCP are apply exclusively, general business terms and conditions of the Supplier conflicting with or deviating from our GTCP are only recognized insofar as we expressly agreed to them in writing. Acceptance or payment of goods and services from the Supplier (hereinafter referred to as "Products") does not constitute agreement, even if the acceptance or payment is made with knowledge of conflicting or supplementary terms and conditions of contract of the Supplier. Similarly, any terms and conditions of contract of the Supplier previously agreed upon that conflict with or supplement these GTCP shall no longer be recognized.

Buyer further has the right to take legal actions arising directly or indirectly out of contractual relationships based on these GTCP against the supplier at the court and jurisdiction at BPC discretion. In addition to all of the Buyer's other rights to terminate a contract, the Buyer may terminate contract any time, without stating its reason, by giving a written notice with a notice period to the Supplier. If the Supplier wishes to withdraw from agreed GTCP and from commercial transactions initiated under such agreement, the agreed period of notice shall be 12 months from receipt of the Supplier's written withdrawal from the agreement, unless otherwise agreed.

Unless expressly agreed otherwise in individual cases, the conclusion of a delivery contract, its validity, interpretation, execution, and termination, as well as all of the rights and claims associated with the contract, shall be subject to the laws of the country in which the buyer's place of business is located.

The United Nations convention on the Contracts for the International Sale of Goods (CISG) and the conflict regulations regarding private international law are hereby expressly excluded.

## **2. OPEN ORDERS**

Certain products and goods in regular consumption can be subject to an open Order containing the details: product, place of delivery, price, conditions of purchase (transport, packaging, etc.) and indicative total quantities for a certain period, of informative nature. Delivery dates of concrete supplies and quantities are then defined in routing orders.

Orders and routing orders for supplies, any changes or amendments thereto have to be made in writing. They can be transferred by distance transmission or machine-readable data-carrying media. Within the given circumstances and scope of possibility, the Buyer may require the Supplier to change the construction and execution of the purchased product/service. The Parties regulate the consequences or impacts of contract, in particular in terms of additional or reduced costs, as well as delivery terms.

## **3. QUANTITIES, DEADLINES**

Deliveries deviating from our contracts and orders are only admissible if given our prior written approval.

Agreed periods and dates are binding. Punctual compliance with the delivery periods and delivery dates is determined by the date of receipt of the goods by us.

For deliveries complied with Orders, routing orders or supply plans related for the goods delivered to the location of the Buyer's place of business, must be assured 100% delivery performance.

For the set up or installation, the Supplier shall bear all the necessary incidental costs such as travel expenses, provision of tools and daily allowances.

The provision of statute shall apply if agreed dates are not met. If the Supplier anticipates difficulties with respect to production, the supply of precursor material, compliance with the delivery period or similar circumstances that could interfere with supplier's ability to deliver punctually or to deliver the agreed quality, the Supplier must immediately notify our ordering department.

The unconditional acceptance of a delayed delivery or services does not constitute a waiver of claims to which we are entitled due to the delayed delivery or service, this applies pending full payment of the amounts owed by us for the delivery or service in question.

Partial deliveries are inadmissible in principle unless we expressly agreed to them or can reasonably be expected to accept them.

The values established by us during the incoming goods inspection shall determine the quantities, weights and measurements subject to the reservation of different values being proved.

Quantities and delivery dates shall be specified exclusively in Orders or Releases. The Supplier must ensure the necessary capacity in order to fulfill the quantities, including quantity forecasts from Orders and Releases.

Releases shall be subject to the requirements of the Order. A Release is binding for the Supplier. Compliance with the Delivery Date is essential for the fulfillment of the Order.

The Buyer is not obligated to accept Goods that are delivered before the Delivery Date.

The Supplier shall bear the risk of loss or damage of any Goods delivered prior to the Delivery Date.

The Buyer is entitled to return any excess deliveries at the Supplier's expense and risk. In particular, these expenses include without limitation all packaging, processing, sorting, and transport costs.

## **4. SAFETY INVENTORY**

In case of an open Order for the products needed in the BPC's production process, the Supplier shall establish a safety inventory at its own expense and have it available and renew at all times. Unless otherwise determined, such safety inventory shall accommodate the quantity of ten working days. The BPC reserves the right to check the safety inventory from time to time.

## **5. SUPPLY**

Unless otherwise defined, the goods ordered shall be delivered to plants, warehouses or services of the BPC. All the costs are paid up to the point of delivery indicated in the order. The BPC shall assume the risk upon acceptance of delivery in its plants, warehouses or services.

The BPC's address and data of the plant, warehouse or service as indicated in the order must be written on each packaging unit. Each shipment must be announced by a delivery note, complete with full details from the resp. order (date, order number, quantity, and type of goods, the detailed description of packaging, etc.).

## **6. PACKAGING AND SHIPPING**

Each delivery must include a packing slip with the Order number, Release/Call off number, and parts number. The Supplier shall label the Goods, packing materials and packaging according to the Buyer's instructions and in compliance with any statutory requirements and

standards of the automotive industry and, unless otherwise agreed upon in the Order, the labeling shall be done as specified in packaging instruction.

## **7. PRICES, PAYMENT AND DELIVERY TERMS AND CONDITIONS**

The prices and payment terms shall be established in the Order. All deliveries shall be made by Incoterms to the named place of destination unless otherwise agreed. The prices in a Order are fixed prices and represent the total price for manufacturing and delivering the Goods. The Supplier shall not be entitled to adjust prices and/or request additional costs of any kind without prior express written consent from the Buyer. If the Supplier is delayed in issuing its invoice or delivering the Goods or if it has delivered Defective goods, the Buyer shall be entitled to withhold payment of the purchase price until the Supplier has met its contractual obligations. Where legally permissible, the Buyer shall perform payment through self-billing procedure in place of the Supplier's invoices.

## **8. ORDER CANCELLATION**

In the event of any non-fulfillment of these GTCP, in particular, for repeated delayed supplies and repeated deficiencies in terms of quality of the products, the BPC may cancel the Order (withdraw from the contract) with a single notification in writing.

Such notification canceling the Order also contains the reservation of the BPC's right to claim damages, but it may also contain a concrete claim for damage/loss.

## **9. TOOLS AND DRAWINGS**

Tools, samples, patterns and models, measures, etc. that were ordered with the Supplier or third party for the BPC or were manufactured by the BPC to be handed over or assigned to the Supplier, remain the property of the BPC in full. The Supplier shall assume the concern for the maintenance and overhaul and shall be responsible for executing the order of pieces. The Supplier shall keep an updated record of the maintenance and repair of tools. The Supplier shall not produce any piece for any third party on the basis of drawings, tools and patterns/models owned by the BPC unless having obtained the BPC's prior consent. On the contrary case, the BPC shall deem such an instance as an act of unfair competition and reserves the right to claim damages from the Supplier. Furthermore, the tools may not be changed or destroyed without the BPC's prior consent in writing.

The Supplier shall assume all the responsibilities and costs that might incur in case of damage to, destruction or theft of tools.

## **10. VALUE AND COST ANALYSES**

Upon request of the Buyer using adequately qualified personnel, the Supplier shall conduct value and cost analyses for the Goods. To this end, the Supplier shall disclose all of the costs to the Buyer by providing the Buyer with a detailed cost breakdown according to the Booster cost breakdown formats.

## **11. SET-OFF**

In addition to the rights to set-off under the law, the Buyer shall be entitled to set-off with claims from other Orders with the Supplier.

## **12. QUALITY AND CONTROL**

The Supplier shall be held responsible for the quality of the products supplied and shall establish its own quality control and management system that is adequate to the criteria applied in the automotive industry.

The efficiency of the quality management system, as well as the conformity of it, shall be proved by:

- Quality Certificate IATF 16949 last version
- Quality Certificate ISO 9001 last version

Suppliers not in BOM should have at least ISO 9001 last version.

When developing and manufacturing the Goods, the Supplier shall observe the latest state of the art and comply with all quality standards, statutory provisions, and other requirements (e.g. notified BPC requests, IMDS requirements).

The Supplier shall fulfill all of the requirements in order to conclude the materials approval process of the Buyer and the Buyer's BPCs in a timely manner. Subject to other instructions by the Buyer, the Supplier shall undertake random sampling before delivery and record the inspection results in a suitable manner and form. The "Quality System Management" shall apply to the retention and archiving of these records.

Before accepting the Order, the Supplier shall analyze and check the Specifications of the requested Goods. The Supplier acknowledges that the Specifications are adequate and suitable for manufacturing the Goods in compliance with the Orders.

The Buyer shall be entitled to inspect and audit the Supplier's manufacturing process on site after prior notice, at an appropriate time and within a reasonable scope. The Supplier shall ensure that the Buyer is granted corresponding inspection and auditing rights for the Supplier's subcontractors.

During its incoming Goods inspection, the Buyer shall only inspect the Goods in terms of identity, quantity, transport damages and other obvious damage. Any further inspections by the Buyer or the Buyer's BPCs shall not constitute an acknowledgment of the contractual

conformity of the Goods or a waiver of proper contractual fulfillment and shall not release the Supplier from liability. Payment for the Goods shall not constitute a declaration of acceptance of the Goods as being contractually compliant. Approval and release of development work by the Buyer shall neither exclude nor limit warranty and/or product liability claims.

Required documentation is in custody of the Supplier, who also keeps archives the Quality records. Supplier shall keep the documents for the entire life of the product and 15 years after EOP.

All other detail information about quality and control are specified in the Booster Supplier Quality Manual.

### **13. SERVICE AND REPLACEMENT PARTS**

The Supplier shall fulfill Buyer's replacement parts requirement for Production Materials during series delivery and for 10 years after EOP. For the term of the Order, the price shall be the current production price stipulated in the Order. Pricing for replacement supplies during the 10-year period shall be the current delivery price at end of the serial delivery in addition to any expenses which shall be mutually agreed upon between the Parties.

For Goods that are not Production materials, the Supplier shall ensure fulfillment of the Buyer's requirement for replacement parts at market prices for a duration of at least 20 years as of the date of the first delivery of the Goods. If requested by the Buyer, the Supplier shall provide service literature and other materials at no additional cost.

### **14. WARRANTY**

The Supplier warrants that the delivered Goods comply with the Specifications, are of merchantable quality and are otherwise free from defects. The Supplier is responsible for the design and construction, it shall also warrant the fault-free design, construction and suitability of the delivered Goods for the specific purposes for which they are purchased. The supplier shall be accountable for any visible or hidden defects of all its supplies including those that may have been entrusted to third party in whole part. If the Goods are defective, the Buyer may, at its own discretion, request the Supplier to repair the Goods at the Supplier's expense and risk, or replace them with non-defective goods. If the Goods are already in the production process of the Buyer or the Buyer's BPC, and if it is unreasonable (for operational and particularly for manufacturing-related reasons) for the Buyer to have the Supplier repair the Defective goods, or if the Supplier is unable to do so, then the Buyer may, at the Supplier's expense and risk, replace or repair the Goods itself or have them replaced or reworked by a third party. If the Goods have already been installed in a product and delivered to the Buyer's BPCs, then at the Supplier's risk and expense, the Buyer shall provide the Supplier with a representative quantity of the Defective goods for inspection.

The Supplier undertakes to cover the damages also in case if such damages might be enforced from Buyer by legal action by a third party on the ground of Supplier's defects.

The supplier shall be accountable for any visible or hidden defects of all its suppliers including those that may have been entrusted to third party in whole or in part.

Furthermore, the Supplier shall compensate the Buyer for all costs that the Buyer incurs in connection with the supply, sale, and delivery of Defective Goods including the costs of any legal actions. The Warranty Period will be for a period of 36 months from the date of delivery to the end user or such longer period of time as may have been accepted by Booster from Booster's customer or the date on which any longer or broader government requirement covering the Goods ends.

The Buyer's rights provided in this section shall apply in addition to all other statutory and/or contractual claims.

## **15. RECALLS**

The Supplier shall be liable and responsible for any measures required to prevent product hazards (recalls) to the extent that it is legally obligated to implement such measures.

## **16. LIABILITY AND INSURANCE**

The Supplier shall compensate the Buyer for all costs and damages incurred as a result of the delivery of Defective Goods or due to the violation of an obligation in the Order and shall indemnify the Buyer against all claims in this regard. This shall not apply in the event of fault-based liability if the Supplier proves that it is not at fault.

## **17. TERMINATION IN EXCHANGE FOR COMPENSATION PAYMENT**

In addition to all of the Buyer's other rights to terminate a Order, the Buyer may terminate Orders at any time, without stating its reasons, by giving a written notice with an appropriate notice period to the Supplier. In the event of such a termination, the Buyer shall compensate the Supplier for the following items:

- the Order price for unpaid and already delivered Goods that are free of defects and have been accepted by the Buyer
- the Order price for Goods finished in accordance with the Order, and the applicable direct costs for unfinished products and materials that the Supplier incurred in accordance with the Order.

This only applies if the costs incurred are reasonable or the Buyer has consented to the costs or quantities in writing. The Supplier will not be reimbursed for damaged or destroyed materials

or Goods. At the Buyer's request, the Supplier shall deliver the finished Goods and materials on the basis of corresponding Orders.

The Buyer is not obligated to pay for Goods, unfinished products or materials that exceed the volume ordered or approved of this GTCP. The same applies for Goods, unfinished products or materials that are in the Supplier's standard stock or can be sold elsewhere.

Payments by the Buyer shall not exceed the maximum amount that the Buyer would have needed to pay if it had not terminated the Order.

## **18. TERMINATION FOR CAUSE**

In addition to the statutory grounds for termination, the Buyer can also terminate Order, in full or in part, in writing for the good cause, with an appropriate notice, without the termination giving rise to any liability or compensation payment claims. In particular, good cause includes but is not limited to the following cases:

- the Supplier becomes insolvent; a request is submitted to initiate insolvency, bankruptcy
- or liquidation proceedings with regard to its assets; an insolvency administrator or trustee is appointed
- or a liquidation settlement takes place; the Supplier's company experiences a change in the ownership or shareholder structure as a result of which the Buyer cannot reasonably be expected to continue with the Order.

This includes but is not limited to a competitor of the Buyer acquiring shares in the Supplier's company, or the Supplier acquiring shares in an enterprise belonging to a competitor of the Buyer.

In the event of a partial termination of a Order that has not yet been completely fulfilled otherwise, the Supplier shall remain obligated to fulfill the non-terminated part of the Order.

## **19. COMPLIANCE WITH LAWS AND REGULATIONS, SAFETY, ENVIRONMENTAL PROTECTION, HAZARDOUS SUBSTANCES**

In the course of fulfilling the Order, the Supplier shall comply with all applicable laws, regulations, ordinances and industry standards. In particular, Goods must comply with the applicable product safety, environmental and workplace regulations and provisions. Seller will promptly provide, in writing, any Information regarding the Goods requested by Buyer so that Buyer may comply in a timely manner with reporting requirements under applicable law with respect to consumer protection, "conflict minerals" or similar ingredients if any. The Supplier of Production materials shall comply with Environmental Requirements. In the context of initial sampling, the Supplier shall enter all the necessary data into IMDS, the International Material



Data System (<http://www.mdsystem.com>), as well as into the systems of other organizations as needed.

The Supplier shall comply with the applicable hazardous materials regulations. In particular, the Supplier shall ensure that activities involving hazardous Goods and substances are performed only by personnel who have been specifically trained for such activities and that only resources, containers, and equipment are used that have been approved for transporting such hazardous Goods and substances on public roads. The Supplier shall provide the Buyer with an overview of all hazardous Goods and substances that are used in the course of fulfilling the Order. The Supplier shall maintain the corresponding safety data sheets and shall provide the Buyer with copies of these upon request.

The Supplier shall provide the Buyer with appropriate installation, operating and maintenance manuals as well as the applicable material safety data sheets. These documents must contain all of the specific warnings and/or instructions in the Buyer's national language and in English, or in the language specified in the Order.

## **20. NON-ASSIGNMENT AND NON-TRANSFER**

The Supplier shall not be entitled to assign claims from an Order or to transfer its obligations from the Order to third parties without prior written consent from the Buyer.

## **21. CONFIDENTIALITY**

The Supplier shall keep confidential all Information provided by the Buyer, whether verbally or in writing. The Supplier shall only use this Information for contractual purposes. The Supplier shall not provide this Information to third parties either directly or indirectly without prior written consent from the Buyer. This shall not apply if the purpose of the contract requires that the Information is provided. This confidentiality obligation does not apply to Information that was provided to the Supplier by a third party in a legally permissible manner and on a nonconfidential basis, or to Information that is freely available to the public. The Supplier shall obligate its subcontractors to maintain confidentiality to the same extent as in this clause.

## **22. INTELLECTUAL PROPERTY AND LICENSES**

The Supplier warrants that the Buyer's intended use of the Goods does not violate any third-party rights, including but not limited to Industrial or intellectual property rights. The Supplier hereby indemnifies the Buyer against all such claims, including any resultant disputes. This shall not apply to the extent the Supplier is not responsible for the violation. If the Supplier's Industrial property rights are necessary in Order for the Buyer to use, repair or resell the Goods, the Supplier shall grant the Buyer a worldwide, irrevocable and royalty-free right to use the

Goods itself or via third parties, to repair them or to otherwise use or resell them at its own discretion.

In the event that the Supplier fails to deliver the Goods, regardless of the reason, the Supplier hereby also grants the Buyer the right to rebuild the Goods itself or via a third party. If the Supplier is responsible for the failure to deliver, this right shall be granted free of charge.

Otherwise, it shall be subject to a reasonable fee. If standard user software is the subject of a Order, the Supplier shall grant the Buyer a fully transferable right of use. The Supplier shall provide the Buyer with the necessary software free of charge. The Supplier shall ensure that the software sold is free from viruses and similar defects.

If an Order includes development work to be paid for by the Buyer, whether as a one-time payment or as amortized into the price of the parts, the Buyer shall obtain the full title of all development results. The Supplier shall also grant the Buyer an irrevocable, non-exclusive, free of charge, worldwide license with the right to issue sub-licenses for all Industrial property rights upon which the development results are based, or which the Buyer needs for the direct or indirect use of the development results.

## **23. SOCIAL RESPONSIBILITY**

The Buyer deems it essential that the Supplier acts in a socially responsible manner toward its own employees and towards society in all its commercial activities. The following principles are particularly important to the Buyer:

- honoring human dignity and human rights, prohibition of child labor and forced labor
- realizing equal opportunities and family-friendly conditions
- no discrimination on the basis of religion, origin, nationality, age, disability, marital status, sexual orientation, political beliefs, membership in a trade union or similar, gender or veteran status
- protecting indigenous rights
- prohibiting bribery and blackmail
- ensuring socially adequate working conditions
- providing protection against individual, arbitrary personnel measures
- creating conditions that allow employees to enjoy an appropriate standard of living
- positive and negative freedom of association
- securing employability through training and further education
- informing employees about the objectives, financial and economic situation, and current issues affecting the company and the employees
- responsible actions by all employees with regard to the environment
- complying with workplace health and safety requirements
- complying with the applicable laws and regulations

The Supplier must ensure that its subcontractors are also obliged to comply with the provisions listed in this Section.