

**JJE**  
**GENERAL TERMS AND CONDITIONS**

**Revised: June 21<sup>st</sup>, 2024**

1. Scope These General Terms and Conditions for the Purchase (the "**Terms**") apply to all transactions conducted by Jing-Jin Electric North America LLC. and all its Affiliates ("**JJE**"), as the purchaser, from the supplier (the "**Supplier**") for the production supply of the goods and services specified in any purchase order(s) and/or statement(s) of work entered between the Parties. JJE and Supplier shall each hereafter be referred to individually as a "**Party**" or collectively as the "**Parties.**" "**Affiliates**" in relation to any Party shall mean any legal entity which directly or indirectly controls, is controlled by or is under common control with such Party. The term "control" shall mean the ability to vote more than 50% of the voting securities of any entity or otherwise having the ability to direct the management and polices of an entity.

2. Contractual Agreement

(a) **Offer and Acceptance:** Each statement of work and/or purchase order (each, a "**Purchase Order**") JJE issues is its offer to purchase the goods ("**Goods**") and/or services ("**Services**") identified in such Purchase Order. Supplier will be deemed to have accepted a Purchase Order as issued by JJE, where Supplier (i) commences work under the Purchase Order; (ii) accepts the Purchase Order in writing; (iii) or fails to object in writing within five (5) days of issuance, whichever is earliest. Any Purchase Order is limited to and conditional upon Supplier's acceptance of these Terms exclusively. The Purchase Order is an offer or counteroffer from JJE to purchase the Goods and/or Services described therein in accordance with these Terms, is not a confirmation or acceptance of any offer made by Supplier, and acceptance of this offer is expressly made conditional on assent to these Terms and the other provisions contained in the Purchase Order. These Terms are expressly incorporated into any Purchase Order(s), and these Terms, together with the Purchase Order, and any other duly signed supply agreement between the Parties (collectively, this "**Agreement**"), comprise the entire agreement between the Parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. If Supplier timely objects to any Purchase Order or proposes additional or alternate Terms, any such changes will become part of the Agreement only if and to the extent JJE and Supplier agree in writing. These Terms prevail over any of Supplier's general or special terms and conditions of sale. Any reference in a Purchase Order to any offer or proposal made by Supplier is solely to incorporate the description or specifications of Goods or Services 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 Supplier, whether in Supplier's quotation, acknowledgement, invoice, general or special terms and conditions of sale or otherwise, are unacceptable to JJE, are expressly rejected and objected to by JJE, and will not become part of the Purchase Order, unless expressly accepted in a writing signed by JJE..

(b) **Changes:** JJE may, from time to time, direct changes, or direct Supplier to make changes, to drawings and specifications of the Goods or to otherwise change the scope of the work covered by this Contract, including, without limitation, changes to the Terms and to such matters as inspection, testing or quality control, and JJE and Supplier will promptly discuss, reasonably

and in good faith, any pricing adjustments (up or down) to be made in connection with such changes. If the Parties are not able to reach agreement on the price adjustment, Supplier will be entitled to an equitable adjustment to the price, as determined by JJE in its reasonable discretion. Notwithstanding any such discussions, Supplier will immediately implement such changes. Supplier may propose changes to drawings and specifications of the Goods or to the scope of the work covered by the Contract. If JJE agrees, in its discretion, to implement such changes, the agreement between the Parties with respect to such changes will be made in accordance with Section 2(a) above. Any claim by Supplier for pricing adjustments to be made in connection with changes that were approved in writing by JJE hereunder must be asserted by Supplier in writing. Supplier will specify to JJE and JJE's designee the location from which the Goods covered by the Purchase Order will be shipped no later than the date on which the Good is approved for production and Supplier certifies the location(s) from which it will ship the Goods covered by the Purchase Order are as specified in the Purchase Order. Supplier will not relocate the production, manufacture or assembly of the Goods from the facilities approved by JJE, or change the location from which the Goods are shipped, without following JJE's relocation requirements and obtaining JJE's advanced written consent.

(c) Other Changes: Except for the changes described in this Section 2(b), neither Party may make any changes to the Agreement during its term without the written agreement of each Party's authorized representative. If these Terms change during the term of the Agreement, those changes shall not apply during the term, unless expressly agreed in writing by each Party's authorized representative.

### 3. Orders

(a) Volume Projections, Capacity, Requirements, And Release Authorization: JJE may provide Supplier with estimates, forecasts, or projections of its anticipated future quantity requirements for goods. Each of these expressions of anticipated future requirements for goods is provided for informational purposes only, and is not intended to be, and is not, a commitment by JJE to buy those future requirements.

(b) (i) Supplier must have a tooling and production plan in place that will enable Supplier to supply JJE's peak daily, weekly and annual requirements for the goods, including service parts, and Supplier's capacity as stated in the Purchase Order will be based on such tooling and production plan. The Purchase Order may cover goods that are manufactured by Supplier using the same manufacturing process and tooling that Supplier uses to manufacture other goods not covered by the Purchase Order ("Common Process Group goods"). In the event JJE's peak requirements exceed Supplier's capacity stated in the Purchase Order, JJE and Supplier will, upon request of either party, meet promptly consistent with JJE's capacity requirement to discuss what, if any, additional capital investments, together with expenses directly related to such increased demands, are reasonably required by Supplier to continue to meet such peak requirements, after which Supplier may submit a claim for a price adjustment or new tooling purchase order as a result of the need for additional capital investments in writing within five (5) days following such meeting. JJE will have the right to verify all claims regarding the need for additional capital investment and the sole discretion to determine whether to accept such changes or to source peak requirements beyond Supplier's capacity stated in the Order elsewhere. No changes in the Order or these General Terms and Conditions, other than those changes in price or tooling requests directly tied to the need for additional capital investments agreed to between Supplier and JJE pursuant to this Clause 5, will be made. (ii) Supplier must submit accurate capacity information to JJE in accordance with JJE's instructions provided to Supplier from time to time. Such

information may include, without limitation, current and potential tool capacity, work pattern, overtime, and parts capabilities regarding Common Process Group goods and must consider not only Supplier's capacity limits but any constraints faced by Supplier's suppliers, it being understood that Supplier is responsible for monitoring its suppliers' capacity constraints and limitations, regardless of whether such supplier is a directed supplier. JJE may withhold payment for Tooling used to manufacture the goods covered by the Purchase Order until Supplier submits all required information to JJE. JJE is entitled to rely on information Supplier submits into such systems and databases in planning JJE's production schedule.

(c) When deliveries are specified to be in accordance with JJE's written releases, Supplier will not fabricate or assemble any goods, nor procure required materials, nor ship any supplies, except to the extent authorized by such written releases or provisions of this Order specifying minimum fabrication or delivery requirements and JJE will have no obligation to accept deliveries early or to accept quantities in excess of those specified in firm orders.

(d) **Packing and Shipping:** Supplier shall pack all Goods for shipment according to JJE's instructions or, if there are no instructions, Supplier will pack and ship all Goods in accordance with industry standard practices. Unless otherwise set forth in any Purchase Order, the cost of packing, marking, insuring the Goods in transit and shipping the Goods shall be borne solely by Supplier. The Purchase Order number, JJE's trade name and Supplier's customs tariff number, if applicable, must appear on all shipping documents, shipping labels, bills of lading, air waybills, invoices, correspondence and any other documents pertaining to the Purchase Order.

(e) **Place and Manner of Delivery:** Supplier shall deliver all Goods and Services in accordance with the date(s) specified in the Purchase Order ("Delivery Date") to JJE's address specified in the Purchase Order (the "Delivery Point") during JJE's normal business hours, or as otherwise instructed in writing by JJE. Unless otherwise set forth in the Purchase Order, delivery of all Goods will be DDP Delivery Point, as that term is defined in Incoterms 2020.

(f) **Delayed Delivery:** Supplier acknowledges that time is of the essence with respect to Supplier's obligations and that the timely delivery of the Goods and Services is of critical importance to JJE. If at any time Supplier has reason to believe that the delivery of any Goods or Services may not be made in strict conformity with applicable delivery schedules, Supplier shall immediately notify JJE in writing and set forth the cause for the delay, so that the parties can work together to reach an expeditious resolution. If delayed delivery of Goods or Services cause JJE to take remedial measures, the additional costs of excess freight and replacement products and all the economic losses arising therefrom shall be borne by the supplier. If JJE or JJE's customer stops production due to delayed supply by Supplier, Supplier shall compensate JJE for the loss of production stoppage according to the standard of \$100,000 per hour, which is not a penalty but a reasonable value of actual damages incurred by JJE as a result of such breach. If the aforesaid compensations are insufficient to cover all losses of JJE (including expected operating income and fines imposed by JJE's customers on JJE), Supplier should bear all the additional costs. JJE has the right to deduct all the above costs directly from any payment due to Supplier.

(g) **Title and Risk of Loss:** Title to, and risk of loss of and damage to, the Goods passes to JJE upon delivery of such Goods at the Delivery Point. Prior to delivery at the Delivery Point, Supplier shall bear all risk of loss or damage to the Goods. In addition to any other insurance requirements set forth at Section 14, Supplier agrees to insure, and/or shall cause any carrier engaged by Supplier to insure, the Goods up to their full replacement value at all times during transport.

(h) **Quantity:** If a specific quantity is not specified on the face of the Purchase Order, or if

the face of the Purchase Order specifies the quantity as zero, “blanket”, “see release”, “as scheduled”, “subject to JJE’s releases” or any similar descriptors, then the Purchase Order shall be deemed a requirements contract, and Supplier hereby agrees to sell to JJE and JJE hereby agrees to purchase from Supplier one hundred percent (100%) of Buyer’s requirements for the Goods or Services, and those requirements will be reflected in quantities that are specifically identified by JJE as firm orders in JJE’s releases issued or otherwise made available to Supplier. In all events, Supplier shall use best efforts to meet JJE’s quantities and delivery schedules. JJE may return over-shipments to Supplier at Supplier’s expense. Unless otherwise specified, the Agreement is not exclusive and JJE may purchase similar Goods and Services from third parties.

(i) Supplier shall ensure that all product provided do not contain hazardous substances banned by relevant international standards, national standards and industry standards, as well as the customer standards of JJE. Supplier shall have and provide applicable certification qualifications for hazardous substance in relevant country's (such as RoHS, REACH or IMDS, etc.). The raw materials used in the production of products by Supplier must meet the technical and quality requirements specified by JJE, and conform to international standards, national standards, industry standards, and customer standards of JJE

(j) **Inspection:** JJE or its representatives may, upon reasonable advance notice to Supplier, inspect production processes, audit records and conduct reasonable testing at any premises where Services are performed, or Goods are manufactured for the sole purpose of verifying Supplier’s performance under the Agreement. Supplier may require appropriate confidentiality agreements in advance of any such visit. JJE is not required to inspect Goods delivered or Services performed, and no inspection or failure to inspect will reduce or alter Supplier’s obligations under the Agreement or reduce JJE’s remedies. Notwithstanding prior inspections, all Goods are subject to final inspection and approval at JJE’s plant or other place designated by JJE and, notwithstanding any payment that may be made, no Goods are deemed accepted until such final inspection and approval. JJE’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. JJE may return rejected Goods at Supplier’s expense. Supplier will not replace Goods returned as defective unless so directed by JJE in writing.

(k) **Quality:** Supplier should follow all quality terms defined in JJE’s “Supplier Quality Assurance Agreement”. The quality of the products supplied by Supplier shall meet JJE technical quality requirements.

(l) Supplier is responsible for the quality of each component of the product delivered to JJE, including the parts produced by its sub-supplier. Supplier shall have the ability to control and inspect the quality of its suppliers. Assembly Supplier is obliged to put forward quality requirements to its sub-suppliers. If JJE finds that there are quality defects in the parts of the supplier, it has the right to claim against Supplier in accordance with the provisions of this agreement.

(m) Without the prior written consent of JJE, Supplier shall not change the product design, manufacturing equipment, materials, process flow, process standards, production sites, and sub-suppliers reviewed and approved by JJE. If Supplier intends to change the product design, manufacturing equipment, materials, process flow, process standards, production sites, sub-suppliers, etc. that have been approved by JJE, it shall notify JJE in advance for JJE’s review and approval.

(n) For processing with raw materials, blanks or semi-finished products provided by JJE (or secondary Supplier designated by JJE). Supplier is obliged to conduct the inspection before receiving the above raw materials, blanks or semi-finished products according to technical quality

standards with an inspection period of 15 days after receipt of the product. If Supplier does not provide feedback within 15 days or start to process the product, it shall be deemed that Supplier has fully recognized the quality and quantity and accepted it; Supplier shall be fully responsible for the quality of the said raw materials, blanks and semi-finished products received by it in writing, and shall undertake the obligation of returning or replacing such raw materials, blanks and semi-finished products. The logistics responsibility of raw materials, blanks and semi-finished products provided by JJE shall be borne by the handling party.

(i) Supplier shall ensure that the raw materials, blanks and semi-finished products provided by JJE reach the maximum efficiency of the finished product as agreed with both parties. If the raw materials, blanks and semi-finished products supplied by Supplier are lower than the rate of finished products, JJE shall have the right to deduct the purchase price of raw materials, blanks and semi-finished products purchased by JJE from the payment for product provided by Supplier. All orders of JJE shall be effective as of the date of the above-mentioned yield list.

(ii) The quality of the products produced by Supplier must meet standard of the PPAP approved samples. The product changes (including changes in appearance and performance) caused by the wear of tooling and dies must meet the drawings and technical requirements of JJE. Otherwise, all losses caused thereby shall be borne by Supplier.

(iii) Supplier shall comply with the quality requirements and procedures for continuous improvement proposed by JJE, including the requirements and procedures applicable to Supplier as specified in the quality system requirements. At the same time, JJE has the right to enter Supplier's premises at any time to inspect the equipment, products, raw materials and any property of JJE under this contract.

(iv) If JJE's customers or relevant regulatory agencies require inspection of the product manufacturing process and checking of the product test record, Supplier shall provide cooperation and assistance, and shall not obstruct deliberately.

(v) In the event that the Supplier does not commence rectifying the defect immediately after being requested to remedy it, in urgent cases, especially to ward off acute danger or to prevent greater damage, JJE is entitled to undertake such rectification ourselves or to have it undertaken by a third party at the expense of Supplier. In case of defects of title, Supplier shall also hold us harmless from any third party claims possibly existing, unless Supplier is not accountable for the defect of title.

(vi) Should JJE incur expenses as a result of the defective delivery of the Product, in particular transport, carriage, labor costs, assembly and disassembly costs, costs of material or costs of incoming goods control exceeding the normal scope of the control, such costs shall be borne by Supplier.

(vii) Supplier is accountable for the fault of its sub-suppliers as it is for its own fault.

(o) The Supplier shall be obliged to inform JJE about any applicable (re-) export license requirements or restrictions for products under US export control law and customs regulations as well as the export control law and customs regulations of the country of origin of the products. Therefore, at least in his offers, order confirmations and invoices, Supplier shall provide the following information on Products subject to license requirements:

- JJE material number
- Product description
- All applicable export list numbers including the Export Control Classification Number pursuant to the U.S. Commerce Control List (ECCN)
- Country of origin of the Products under commercial policy
- HS Code of the Products

- A contact person in its organization to resolve any inquiries

Supplier shall be obliged to inform JJE without undue delay of any changes to the license requirements applying to the products it supplied to JJE, as a result of technical changes, changes to the law or governmental determinations.

#### 4. Pricing and Payment Terms

(a) The price of the Goods and Services is the price stated in the Purchase Order (the "Price"). Unless otherwise specified in the Purchase Order or required by law, the 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. The prices stated in the Purchase Order are firm and are not subject to adjustment for changes in volume, changes in the price of raw materials or labor, changes in currency valuation, or for any other reason, unless (a) a clause specifically incorporated in the Order (with JJE's written consent) expressly provides that the prices will be adjusted on a particular basis, and then only to the extent specified in that clause, or (b) a document specifically incorporated in the Purchase Order (with JJE's written consent) expressly provides that the prices will be adjusted on a particular basis, and then only to the extent specified in that document..

(b) Supplier shall promptly after delivery of the Goods or Services submit correct and complete invoices to JJE, along with any reasonably appropriate supporting documentation. Unless otherwise set forth in any Purchase Order, JJE shall pay all properly invoiced amounts due to Supplier within sixty (60) days of JJE's receipt of such invoice, except for any amounts disputed by JJE in good faith. Unless a Purchase Order specifically states otherwise, all payments for Goods or Services will be made in U.S. dollars. Without prejudice to any other right or remedy it may have, JJE reserves the right to set off, at any time, any amount owing to it by Supplier against any amount payable by JJE to Supplier. In the event of a payment dispute, JJE shall deliver a written statement to Supplier on or before the date payment is due on the disputed invoice listing all disputed items and providing a reasonably detailed description of each disputed item and why it is disputed. Amounts not so disputed are deemed accepted and must be paid, notwithstanding disputes on other items, within the period set forth in this Section 4. The Parties shall seek to resolve all payment disputes expeditiously and in good faith. Supplier shall continue performing its obligations under this Agreement notwithstanding any such 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 this Agreement.

(c) All amounts due Supplier or its Affiliates shall be considered net of indebtedness or obligations of Supplier and its Affiliates to JJE and its Affiliates, and JJE and its Affiliates may set off against any amounts due or to become due to Supplier or its Affiliates from JJE or its Affiliates however and whenever arising and without notice. If any obligations of Supplier or its Affiliates to JJE or its Affiliates are disputed, contingent or unliquidated, including any claims by JJE's customers before final determination of cause, JJE may defer payment of such amounts until such claims are finally resolved.

#### 5. Warranties

(a) Supplier's Warranties: Unless a longer period is specified in the Agreement, the warranty period is the later of (i) the period for which JJE warrants to end users the products into which the Goods or Services are incorporated or (ii) eight (8) years after delivery of such Goods or Services to JJE. During the warranty period, Supplier warrants to JJE that the Goods (a) will be free from defects in workmanship, design, and materials, (b) will comply with any

applicable motor vehicle safety standards, including, without limitation, the US Federal Motor Vehicle Safety Standards (the “FMVSS”), (c) will conform to the specifications, drawings, samples, and performance requirements provided by JJE, (d) will be new, not used, refurbished or reconstituted; (e) will not infringe the proprietary rights of any third party, (f) will be merchantable and be fit for the use intended by JJE; and (g) will comply and have been produced, processed, packaged, labeled, delivered and sold in conformity with all applicable federal, state or other laws, administrative regulations and orders, including the Occupational Safety and Health Act of 1971 as amended from time to time. Supplier also warrants to JJE that it will transfer to JJE ownership and good title to Goods delivered and Services provided, free of all liens, encumbrances, and rights of third parties (except those created by JJE). Supplier further warrants that (x) all Services furnished by Supplier 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 Supplier’s industry, (y) any reports, drawings, advice, formula, protocol and other deliverables of such Services will comply with all applicable laws, regulations, codes and ordinances, and will be good and sufficient to enable JJE to achieve the results therefor specified in the Agreement, and (z) none of such Services, reports, drawings, advice, formula, protocol or other deliverables of such Services, nor the use thereof by JJE will infringe the proprietary rights of any third party. The foregoing warranties shall survive inspection, delivery and payment, and shall run in favor of JJE, its successors and assigns and its customers, whether direct or indirect. Supplier will determine the particular purposes for which all Goods purchased by JJE are required and will utilize its skill and judgment to select and furnish suitable Goods; Supplier acknowledges that JJE is relying on Supplier to do so.

(b) Non-Conforming Goods: In addition to all other rights and remedies provided under the Agreement, at law or in equity, if any Goods or Services do not conform to the warranties in this Section 5, JJE shall have the right to: (i) reject the non-conforming Goods or Services; (ii) retain the non-conforming Goods or Services at an adjusted price, (iii) require Supplier, at Supplier’s expense (including applicable shipping costs), to either repair or replace the non-conforming Goods or Services; (iv) refund the amount paid by JJE for the non-conforming Goods or Services; or (v) cancel the Order for default under Section 12. JJE will also have the right to cancel any unshipped portions of the affected and any related order. JJE will be reimbursed by Supplier for all of its costs and expenses in connection with the storage, handling, packing and/or transporting of any such defective or otherwise nonconforming Goods, and Supplier assumes all risk of loss or damage in transit to Goods returned by JJE pursuant hereto. In addition, Supplier shall implement, at its expense, containment, inspection, sorting, and other quality assurance procedures if JJE reasonably determines (through statistical sampling or other quality assessments) that a substantial quantity of incoming Goods do not conform to the warranties in this Section 5.

(c) Recalls: This Section 5(c) applies to any voluntary or government-mandated recall by JJE to remedy any alleged defect (each a “Recall”). If any Recall results in whole or in part from a failure of the Goods to conform to the Supplier warranties in this **Section 5** during the warranty period, in addition to all other rights or remedies which JJE may have under this Agreement or at law, Supplier shall be liable for all costs and damages resulting from such Recall, provided, as a condition precedent to Supplier’s liability under this **Section 5(c)**, JJE must: (i) notify Supplier as soon as practicable after JJE learns that a Recall being considered implicates the Goods; (ii) provide Supplier with any available performance evaluations, accident reports, engineering investigations, and other data relating to the potential Recall, and (iii) provide Supplier a

reasonable opportunity to participate in inquiries and discussions among JJE, its customer, and governmental agencies regarding the need for and scope of the Recall.

6. Product Liability

(a) **Indemnification:** To the fullest extent permitted by applicable law, Supplier will defend, indemnify, and hold harmless JJE, its Affiliates and customers, and each of their respective equity holders, employees, directors, officers, managers, and advisors, affiliates, agents, customers, invitees, successors, and assigns from and against all liabilities, claims, demands, losses, costs, damages, and expenses (including attorneys' and other professional fees) of any nature or kind (including special, incidental, consequential, indirect, personal injury, death, and property damages, royalties, anticipated or lost profits, any voluntary or involuntary recall or other customer field service action costs, costs allocated under warranty allocation programs, production delay, stoppage or interruption costs, inspection, handling, reworking, and re-performance charges, settlements and judgments, and other costs associated with JJE's administrative time, labor, and materials) arising out of or resulting from: (a) any nonconforming or otherwise defective Goods or Services; (b) any negligent or wrongful act or omission of Supplier or its representatives; (c) any breach or failure by Supplier or its representatives to comply with any of the terms and conditions of the Agreement (including these Terms), including any breach of Supplier's representations, warranties or covenants; (d) any actual or claimed infringement of patent, trademark, copyright rights, misappropriation of trade secrets, or any other claim relating to intellectual property of a third party, or any breach of confidentiality; or (e) any actual or alleged noncompliance by Supplier or its representatives with applicable laws of the jurisdictions in which the Goods or the Services, and the products and services containing the Goods and Services, are to be consumed, used, sold, and performed.

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

7. Intellectual Property Rights

(a) **JJE's Intellectual Property:** JJE does not transfer to Supplier any patent, trade secret, trademark, service mark, copyright, mask work, or other intellectual property right ("**Intellectual Property Right**") of JJE in or to any information, documents, or property that JJE makes available to Supplier under the Agreement, other than the limited right to use JJE's



Intellectual Property Rights only as necessary to produce and supply Goods and Services to JJE pursuant to a Purchase Order.

(b) Supplier's Intellectual Property: Except as stated in this **Section 7(b)** or as otherwise set forth in any duly signed agreement between the Parties, Supplier does not transfer to JJE any Intellectual Property Right of Supplier related to the Goods or Services, other than the right to use such Intellectual Property Right of Supplier in conjunction with the use of any Goods manufactured by or for JJE for the manufacture, assembly, production and sale of JJE products, whether by incorporating, modifying or assembling Goods purchased from Supplier into component parts or directly into JJE products. Supplier hereby grants to JJE a non-exclusive, perpetual, fully paid, worldwide right and license, with rights to grant sublicenses to Affiliates, to use Supplier's Intellectual Property Rights in the manufacture, assembly and production of JJE products, and to sell JJE products and any related product components ("**JJE Production**"). Contingent upon this Agreement being breached by Supplier and subsequently terminated by JJE, Supplier hereby grants to JJE a non-exclusive, perpetual, fully paid, worldwide right and license, with rights to grant sublicenses, to the extent reasonably necessary to continue JJE Production, including, without limitation, to enable JJE to obtain Good or Services as previously acquired from Supplier from alternate sources for use in JJE Production.

(c) Infringement: Supplier warrants that any Goods and the use of any Goods for their intended purpose or making, having made, selling, offering to sell, importing, or using any good made by using the Goods for their intended purpose, will not infringe any Intellectual Property Right of any third party. Supplier shall hold harmless, defend, and indemnify JJE, its Affiliates, their respective customers, distributors, dealers and their respective customers from and against any and all claims made against any of them that any Services or Goods, including use of any Goods for their intended purpose or making, having made, selling, offering to sell, importing, or using any Goods for its intended purpose, infringes any Intellectual Property Rights of any third party. Supplier shall pay all costs and expenses (including reasonable attorney's fees) that are incurred or sustained by reason of any such claim.

(d) If a claim under this Section 7 results, or is likely to result, in an injunction or other order that would prevent Supplier from supplying or JJE from using Goods for their intended purpose, Supplier will, at its expense, either: (i) secure a license of the Intellectual Property Right that permits Supplier to continue supplying the Goods to JJE, or (ii) modify the Goods so that they become non-infringing, so long as the modification does not alter in any substantial manner the operation, purpose or performance of the Goods for their intended purpose, or (iii) replace the Goods with non-infringing alternative Goods that do not alter in any substantial manner the operation, purpose or performance of the Goods for their intended purpose.

(e) Without prior written consent, Supplier shall not use or permit the use of JJE's or its Affiliates' trademarks in the description or marketing of products produced by Supplier, nor shall Supplier advertise or publish that Supplier has contracted to furnish Goods or Services to JJE pursuant to this Agreement.

## 8. Property and Tooling

(a) All production supplies, tooling (including fixtures, gauges, jigs, patterns, castings, cavity dies and molds, with all related appurtenances, accessions, and accessories) "Tooling", and all other deliverables, data, inventions (whether or not patentable), industrial designs, technical information, know-how, processes of manufacture and other intellectual property and information, which has been either: (i) provided by JJE; or (ii) created, developed, conceived or first reduced to practice by or on behalf of Supplier to produce the Goods or Services, and for

which JJE has agreed to reimburse Supplier, shall be and remain the sole and exclusive property of JJE (“**JJE Property**”) and shall be held by Supplier on a bailment basis until such time as it is transferred to JJE in accordance with this **Section 8 (Property and Tooling)**; provided that, to the extent permitted by law, all of the JJE Property consisting of copyrightable subject matter is “work made for hire” as defined in the US Copyright Act of 1976 (17 U.S.C. § 101), and such copyrights are therefore owned by JJE, and to the extent that the foregoing does not apply, Supplier hereby irrevocably assigns to JJE, for no additional consideration, Supplier’s entire right, title, and interest in and to all Intellectual Property Rights in the JJE Property, including the right to sue, counterclaim, and recover for all past, present, and future infringement, misappropriation, or dilution thereof, and all rights corresponding thereto throughout the world.

(b) **Production Tool Order:** If JJE issues a Production Tool Order (PTO) in connection with the Production Purchase Order, Supplier will design and fabricate, rework, or acquire, and in all cases install Tooling that fully conforms to the specifications and other requirements of the PTO.

(c) **Tool Order Purchase Price:** Unless a PTO is issued on a fixed price basis the price of the Tooling will not exceed the lower of: (a) the price specified on the Production Tool Order; (b) the Supplier's actual costs of acquiring the Tooling from a toolmaker without markup; or (c) the Supplier's actual costs of fabrication of the Tooling in accordance with JJE’s guidelines provided to the Supplier.

(d) **Tooling Capacity:** Unless specified by JJE, the Tooling must be capable of producing the Volume Projections for the Goods during the life of the part as well as satisfying the requirements for Service Parts under Section 13.

(e) **Tooling Completion and Payment:** Unless otherwise stated in a separate Tooling or Development Agreement, Supplier, at its own expense, will manufacture the requisite number of sample Goods using the Tooling in order to successfully complete JJE's Production Part Approval Process (PPAP) and submit the Part Submission Warrant (PSW). The Tooling will be completed when the necessary samples have been submitted and approved by JJE. Supplier has no claim for payment until the Tooling is completed and the Part Submission Warrant and any other necessary documentation have been submitted.

(f) **Status Reports:** JJE, at any time, may ask Supplier to provide status reports on the construction or acquisition of the Tooling. Each status report will identify the Tooling, identify any subcontractors working on the Tooling, state the percentage of completion of the Tooling, and state the percentage of sunk costs already expended.

(g) **Notice of Potential Delay in Completion:** If, at any time, Supplier believes that the Tooling might not be completed by the completion date specified on the Production Tool Order, Supplier will notify JJE by Written Notice as soon as practicable. Sending this notice will not relieve Supplier of either its obligation to complete the Tooling on the completion date or its liability for any additional costs incurred by Supplier or JJE as a result of any delay, unless JJE agrees otherwise in a Written Notice.

(h) **Tooling Warranty:** The Supplier warranty for Tooling is the same as for the Goods under Section 5.

(i) **Ownership of Tooling:** JJE becomes the sole owner of all Tooling as soon as it is fabricated or acquired by Supplier. JJE takes title to the Tooling even if Supplier has not yet been paid for the Tooling. Ownership by JJE will not relieve JJE of its obligation to pay for the Tooling nor affect any claim of Supplier for payment under a Production Tool Order.

(j) **Risk of Loss:** Supplier shall bear the risk of loss of and damage beyond reasonable wear

and tear to any Tooling JJE Property and shall adequately insure JJE Property for its full replacement value at Supplier's cost, with loss payable to JJE, at all times while the JJE Property is in Supplier's possession or under its control.

(k) **Location of Property:** At all times while in Supplier's possession or under its control, the JJE Property shall also be properly housed and maintained by Supplier, at its expense, at the location of Supplier approved by JJE in writing (the "Supplier Location") and shall be clearly marked as JJE Property. The JJE Property shall not be used by Supplier for the production of Goods or Services to supply to third parties absent JJE's prior written consent. Any JJE Property must be kept at the Supplier Location. If the JJE Property is to be attached to real estate, Supplier shall provide JJE with a disclaimer or disclaimers of any interest in the JJE Property and shall also ensure that the equipment may be removed without damage to the real estate. Supplier shall not use the JJE Property for any purpose other than Supplier's performance under any Purchase Order with JJE.

(l) **Release and Return:** Upon JJE's written request, the JJE Property shall be released to JJE or delivered by Supplier to JJE, pursuant to JJE's written instructions. Supplier is responsible for labor and other costs of dismounting, dismantling, staging, and loading the Tooling for removal. Supplier will cooperate with JJE in removing the Tooling from the location of the Supplier or subcontractor.

(m) **Waiver of Liens:** To the fullest extent permitted by applicable law, Supplier waives all rights to any liens that Supplier may otherwise have on any JJE Property.

(n) **Inspection Rights:** JJE shall have the right, upon reasonable notice to Supplier and at reasonable times, to (a) inspect the JJE Property, (b) observe its use at the Supplier Location, and (c) freely access the Supplier Location for such purposes. JJE may enter the Supplier Location and remove the JJE Property without notice to Supplier and without liability if, in the reasonable opinion of JJE, the JJE Property is being improperly stored, used or maintained. Supplier shall not remove, or permit the removal of, the JJE Property from the Supplier Location without the prior written consent of JJE.

(o) Supplier expressly permits JJE to file Uniform Commercial Code ("UCC") financing statements in any appropriate filing office reflecting JJE's ownership of the JJE Property. Supplier also expressly permits JJE to make any other notification necessary to protect JJE's interest in the JJE Property (such as those contemplated by UCC § 9-324) to any person or entity that has filed a UCC financing statement that, in JJE's sole discretion, may evidence a conflicting interest in the JJE Property. Supplier agrees to (i) maintain the JJE Property free and clear of all liens and encumbrances of any nature whatsoever and (ii) indemnify and hold harmless JJE from and against any loss or damage caused by any such liens or encumbrances placed upon any JJE Property. Supplier may not assign, sell, transfer, or attempt to assign, sell or transfer any JJE Property to any person or entity, without JJE's prior written consent.

(p) **JJE IS PERMITTING SUPPLIER TO USE THE JJE PROPERTY ON AN "AS IS, WHERE IS" AND "WITH ALL FAULTS" BASIS.** Supplier shall be responsible for, shall timely pay, and shall indemnify JJE against and hold JJE harmless from, all taxes, fees, and other charges charged by any governmental or taxing agency or authority on or relating to the JJE Property, including Supplier's use of the JJE Property. JJE shall not be responsible or liable for any loss, damage, expense or claim incurred by Supplier arising out of Supplier's use of, or otherwise related to, the JJE Property.

(o) **Restricted Use of Tooling:** Supplier has the obligation to use the Tooling solely in the production of the Goods. Supplier will not use the Tooling for any purpose other than as

provided under these terms including the for the production, manufacture, sale, or design of after, market parts.

(p) Disposition of Tooling: Supplier may send a written notice requesting JJE to either accept the return of the Tooling or permit its disposal by the Supplier in accordance with terms to be negotiated in good faith in the event the Supplier continues to provide Service Parts or Component Parts after the period required in Section 13, but there have not been any releases for the Service Parts or Component Parts for at least two years.

#### 9. Confidential Information

(a) Definition: Supplier acknowledges that, during the course of its performance under this Agreement, it will have access to certain non-public information that is considered highly valuable and confidential by JJE, including without limitation: (a) the existence and terms of this Agreement; (b) trade secrets, patents and patent applications; (c) information, ideas, techniques, specifications, sketches, drawings, works of authorship, models, inventions, know-how, processes, apparatuses, equipment, algorithms, software programs, software source documents, and formulae related to the business operations and strategies, customers, investors, pricing, sourcing, personnel or operations of JJE, its Affiliates, or its suppliers or customers, in each case whether spoken, written, printed, electronic, or in any other form or medium; and (d) all other information that Supplier knew, or reasonably should have known, was the confidential information of JJE (collectively, the "**Confidential Information**"). Notwithstanding the foregoing, any confidential information that Supplier develops in connection with a Purchase Order or with reference to JJE's Confidential Information, including but not limited to, any Goods, shall be JJE Property, shall be the Confidential Information of JJE and shall subject to the terms and conditions of this **Section 9 (Confidential Information)**.

(b) Obligations: Supplier agrees to: (a) treat all Confidential Information as strictly confidential; (b) not disclose Confidential Information or permit it to be disclosed, in whole or part, to any third party without the prior written consent of JJE; and (c) not use any Confidential Information for any purpose except as required in the performance of its obligations under the Agreement. Supplier shall notify JJE immediately in the event Supplier becomes aware of any loss or disclosure of any Confidential Information. Upon JJE's request, Supplier shall promptly return all documents and other materials received from JJE, including any JJE Property and Confidential Information. In addition to all other relief afforded under this Agreement or at law, JJE shall be entitled to injunctive relief for any violation of this **Section 9**.

(c) Exclusions: Confidential Information shall not include information that: (a) is or becomes generally available to the public other than as a result of Supplier's breach of this Agreement; (b) is obtained by Supplier on a non-confidential basis from a third-Party that was not legally or contractually restricted from disclosing such information; or (c) was or is independently developed by Supplier without use of or reference to any Confidential Information. Nothing herein shall be construed to prevent disclosure of Confidential Information as may be required by applicable law or regulation, or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency, provided that the disclosure does not exceed the extent of disclosure required by such law, regulation, or order. Supplier agrees to provide prompt written notice of any such order to an authorized officer of JJE sufficiently in advance of making any disclosure to permit JJE the option to contest the order or to seek confidentiality protections, as determined in JJE's sole discretion.

10. Term and Termination

- (a) Subject in all respects to JJE's termination rights, the Agreement is binding on the Parties for (a) the length of the applicable original equipment manufacturer vehicle or other program production life for which JJE anticipates incorporating the Goods; (b) such alternate duration expressly set forth on the face of the Purchase Order, or (c) one year from the date the Purchase Order is issued if the Goods are not associated with one or more applicable original equipment manufacturer vehicle or other programs, automatically renewing for successive one year periods thereafter unless JJE provides notice to Supplier of its desire not to renew.
- (b) JJE may terminate the Agreement or all or any part of the Purchase Order at any time and for any reason (or no reason) in its sole discretion by giving at least thirty (30) days' notice to Supplier. Unless otherwise directed by JJE in writing, effective upon such termination, Supplier will: (a) promptly terminate all work relating to the Purchase Order; (b) deliver to JJE all finished Goods reasonably held by Supplier not in excess of JJE's firm releases; (c) deliver to JJE all work-in-process incorporating JJE's intellectual property and raw materials that cannot be consumed by Supplier for other customers within one (1) year, provided in each case such work-in-process and raw materials were ordered in accordance with JJE's firm releases; and (d) cooperate with JJE and its business partners as requested to transfer the provision of the Goods or Services to the person(s) designated by JJE as further described below. In connection with such termination, JJE shall pay Supplier only: (i) the price for all conforming finished Goods actually delivered to and accepted by JJE; and (ii) the reasonable cost of usable work-in-process and raw materials described in (c) above that are actually delivered to and accepted by JJE (or otherwise destroyed with written certification of such destruction as directed by JJE), in each case as determined by JJE in its sole discretion. JJE's payment obligations upon termination shall in no event exceed the amount that would have otherwise been due Supplier had no termination occurred, and are contingent in all respects on Supplier submitting a claim for such amounts, if any, within thirty (30) days of termination.
- (c) JJE may immediately terminate the Agreement or all or any part of the Purchase Order, without liability to Supplier and without prior notice, if Supplier: (a) breaches, threatens to breach or repudiates any of the terms and conditions of the Agreement (including these Terms) or any other agreement between JJE or its Affiliates and Supplier, including any actual or threatened "stop shipments" or any other actual or threatened failure to timely deliver or perform in full; (b) fails to promptly (in no event later than two (2) business days) and adequately respond to a demand for adequate assurance; (c) fails to demonstrate progress or to meet applicable quality requirements so as to endanger timely and proper completion or delivery of Goods or completion of Services and, in any such case, Supplier does not cure or correct such failure to JJE's satisfaction (in its sole discretion) within ten (10) days (or such shorter period of time as JJE may determine, if commercially reasonable under the circumstances) after JJE's delivery of notice specifying such failure; (d) enters or offers to enter into a transaction that includes a sale of a substantial portion of its assets used for the production of Goods or the performance of Services or a material change in the direct or indirect ownership or control of Supplier (including control of more than twenty-five percent (25%) of Supplier's equity interests), any merger or consolidation directly or indirectly involving Supplier, or any other substantial change in Supplier's organization (each, a "Change of Control"); (e) fails to remain competitive with respect to quality, technology, delivery, service or pricing of the Goods or Services; or (f) undergoes an event of the insolvency, bankruptcy, reorganization, receivership or liquidation, makes an assignment for the benefit of its creditors or

ceases to carry on business in the ordinary course, or permits a receiver to be appointed in respect of Supplier's property. In the event any termination made pursuant to this Section is later held by a court of last resort to have lacked cause as described in this Section or otherwise, the parties acknowledge and agree that such termination shall be automatically deemed a termination for convenience pursuant to Section (b) above.

11. Transition of Supply

Upon the expiration or earlier termination of any Purchase Order, for any reason, or during any period of Supplier Default, Supplier agrees to take all actions reasonably necessary to ensure that there is no interruption in the supply of Goods or Services to JJE. As part of such obligation, Supplier agrees to take any such actions as may be reasonably requested by JJE to accomplish the transition from Supplier to an alternative supplier. Without limiting the generality of the foregoing, Supplier shall, upon reasonable written request by JJE: (a) provide all notices necessary or desirable for JJE to resource the Purchase Order to an alternative Supplier; (b) promptly provide all requested information and documentation regarding and access to Supplier's manufacturing process, including on-site inspections, bill-of-material data, tooling and process detail and samples of Goods and components; (c) provide a sufficient bank of Goods covered by the Purchase Order to ensure the orderly transition to any alternative Supplier chosen by JJE; (d) provide to JJE all JJE Property in good condition, reasonable wear and tear excepted; (e) assign to JJE any or all supply contracts or purchase orders for raw material or components relating to the Purchase Order; and/or (f) sell to JJE, at fair market value, any or all tooling and Goods inventory relating to the Purchase Order, to the extent not already paid by JJE. The term "alternative supplier" expressly includes, but is not limited to, an Affiliate of JJE.

12. Default and Remedies

(a) Events of Default: Time is of the essence and, subject to Section 18 (Force Majeure), JJE may cancel the whole or part of this Purchase Order without liability, except for payment due for goods and services delivered and accepted, and may exercise any of its legal rights, including without limitation its remedies under Section 12(b) of these General Terms and Conditions, upon the occurrence of any event of default by Supplier. Supplier will be in default under this Agreement if it: (i) Supplier fails to timely deliver goods or perform services and Supplier fails to give JJE a remediation plan within one day of JJE's notice to Supplier of such failure, obtain JJE's acceptance of such plan, and perform such plan to JJE's satisfaction; (ii) Supplier repudiates the Order (absent a legal right to do so,) in writing, including via e-mail, takes any action evidencing its intention not to perform (including threatening non-delivery of goods), or omits to take any action required to be performed by Supplier, which is necessary for Supplier to timely deliver goods and services under the Order; (iii) fails to perform any obligation under this Agreement, including any Purchase Order; (iv) Supplier violates any other provision in, fails to meet any other requirements contained in, or fails to perform any other provision under the Purchase Order at the time specified therein and to the extent such other failure is capable of being cured, fails to so cure such failure within thirty (30) days after such Event of Default; (v) fails to provide JJE with adequate and reasonable assurance of Supplier's ability to perform any obligation under any Purchase Order upon reasonable written request by JJE; (vi) threatens not to deliver Goods or Services in connection with any Purchase Order or is unable to provide the Goods or Services; (vii) enters or offers to enter into any transaction which includes a sale of a substantial portion of its

assets used for production of the Goods or supply of the Services that would result in a change in control of Supplier; (viii) admits in writing to its inability to pay its debts as they become due, commences a bankruptcy, insolvency, receivership, or similar proceeding, or makes a general assignment for the benefit of creditors; or (ix) becomes a debtor in a bankruptcy, insolvency, receivership, or similar proceeding commenced by a third party (each, a “Supplier Default”). JJE will be in default under this Agreement only for non-payment for Goods or Services which are sixty (60) or more days past due, or as otherwise set forth in any Purchase Order, and then only if: (i) Supplier provides JJE written notice specifying the amounts past due; and (ii) JJE, within sixty (60) days after the date that JJE receives any such notice, does not either: (A) pay the past due amounts; or (B) notify Supplier that the amounts claimed to be unpaid are disputed by JJE.

(b) Remedies: Supplier acknowledges that, in entering into any Purchase Order, JJE depends upon Supplier for the timely development and production of the Goods and Services, for the supply of the Goods and Services, and, as a result, for the production of JJE products in accordance with the schedules contemplated by the Purchase Order. Supplier further recognizes that failure to timely and fully perform its obligations hereunder may affect the viability of the manufacturing of the products, and that JJE may suffer substantial losses and damages which cannot be measured solely in monetary terms. Supplier, therefore, expressly agrees that JJE shall have the right to compel specific performance of any Purchase Order by Supplier, or alternatively, in JJE’s discretion, to terminate the Purchase Order upon written notice to Supplier in the event of a Supplier Default. In any such event, JJE may cancel the Purchase Order, in whole or in part, without any liability, except for any payment due for Goods or Services delivered and accepted through the date of termination. Upon any such termination, JJE shall also have the right to take title to and possession of JJE Property in Supplier’s possession and all or any other part of work performed by Supplier or paid for by JJE through the date of termination. JJE shall also be entitled to recover from Supplier all losses, expenses and damages of every kind and nature, including, but not limited to, actual out of pocket costs, attorney’s fees, court costs, incidental and consequential damages and lost profits, damages claimed by JJE’s customers, which JJE may suffer as a result of any Supplier Default. The remedies set forth in this **Section 12(b)** shall be cumulative and in addition to all other rights and remedies otherwise available in the Agreement or at law.

### 13. Service and Replacement Parts

(a) Supplier shall sell Goods to JJE as ordered and released by JJE for use as production and as service and replacement parts for JJE and its customers. If the Goods are systems or modules, Supplier shall sell to JJE, as ordered by JJE, the system or module or the components or parts that comprise the system or module. The prices for the components or parts shall not, in the aggregate, exceed the price of the system or module less assembly costs.

(b) Supplier will supply service and replacement parts to JJE for up to 15 years following the end of production of the Goods. If JJE has a legal obligation to make the service or replacement parts available for a longer period, JJE will inform Supplier and Supplier shall supply the service or replacement parts for this longer time period.

(c) Supplier shall sell the replacement or service parts at same prices of the last regular Purchase Order. For past production service parts, the price shall be the price that was in effect during production for a period of five (5) years, thereafter the parties shall negotiate in good faith the price for the remaining 10 years or enter into a lifetime buy.

(d) At JJE’s request, Supplier shall make service literature and other reasonable materials available at no additional charge to JJE or its customers to support JJE’s service part sales activities. Supplier’s obligations under this Section 13 shall survive termination or expiration of

the Purchase Order, for any reason.

14. Insurance.

At all times, Supplier will maintain and upon request furnish to JJE: (a) Worker's Compensation Insurance as required by applicable law including Employer's Liability coverage "B" (or stop gap coverage) in the amount of \$1,000,000; (b) Commercial General Liability Insurance in at least the amount of \$5,000,000 combined single limits per occurrence; (c) Vehicular Liability Insurance in at least the amount of \$1,000,000; and (d) Umbrella coverage in the amount of \$5,000,000. Any shortfall in the above coverages can be made up for by the umbrella policy so long as proof is provided in writing that the umbrella covers that policy. All policies must be undertaken with financially sound and reputable insurers. Upon JJE's request or prior to commencement of any Services or delivery of any Goods, Supplier shall provide JJE with a certificate of insurance from Supplier's insurers evidencing the insurance coverage specified in these Terms. The certificate of insurance shall name JJE as an additional insured. Supplier shall provide JJE with at least thirty (30) days' advance written notice in the event of a cancellation or material change in Supplier's insurance policies. Except where prohibited by law, Supplier shall require its insurers to waive all rights of subrogation. Supplier must also require all Permitted Subcontractors to comply with all insurance requirements of these Terms. Nothing in this Section 14 shall be construed as or act as a cap on liability or otherwise limit any damages which JJE may otherwise be entitled to seek under this Agreement or at law.

15. Dispute Resolution.

(a) Negotiation and Mediation: JJE and Supplier will first endeavor to resolve through good faith negotiations any dispute arising under the Agreement, whether through duly authorized representatives for each Party or through a formal, non-binding mediation.

(b) Governing Law: The Agreement, Terms, each Purchase Order and all transactions between JJE and Supplier will be governed by and construed in accordance with the laws of State of Michigan, United States of America as if entirely performed therein.

(c) Supplier irrevocably consents to the personal jurisdiction of the state and federal courts in and for Oakland County, Michigan, USA. Any suit regarding or relating to the Agreement, Terms or any Purchase Order may only be brought by Supplier in the state or federal courts in and for Oakland County, Michigan, USA, which are the exclusive venues for any such suit brought by Supplier. SUPPLIER WAIVES THE RIGHT TO TRIAL BY JURY. Any and all claims must be brought by Supplier within one (1) year of the date such claim first arises, whether or not Supplier has actual knowledge of such claim(s).

(d) Injunctive Relief: Notwithstanding anything to the contrary set forth in this Section 15, each party has the right at any time to seek and obtain from the court, provisional remedies or other equitable or non-monetary relief such as attachment, claim and delivery, preliminary injunction, or replevin, to avoid irreparable harm, maintain the status quo or preserve the subject matter of the arbitration and including, but not limited to, any claim for injunctive relief by JJE to enforce its rights and the obligations of Supplier under this Agreement.

16. Customs

Transferable credits or benefits associated with Goods purchased, including trade credits, export credits, or rights to the refund of duties, taxes, or fees, belong to JJE unless otherwise prohibited by applicable law. Supplier will provide JJE with all information and records relating to the Goods necessary for JJE to (i) receive these benefits, credits, and rights, (ii)



fulfill any customs obligations, origin marking or labeling requirements, and certification or local content reporting requirements, (iii) claim preferential duty treatment under applicable trade preference regimes, and (iv) participate in any duty deferral or free trade zone programs of the country of import. Supplier will obtain all export licenses and authorizations and pay all export taxes, duties, and fees unless otherwise stated in the Agreement, in which case Supplier will provide all information and records necessary to enable JJE to obtain those export licenses or authorizations.

17. Audit Rights

If requested by JJE, the Supplier will permit JJE to, and will ensure that the Permitted Subcontractors permit JJE to, examine all pertinent documents, data and other information relating to the Goods or Services, the Supplier's obligations under any Purchase Order, or any payment made to the Supplier during the term of this Agreement and for a period of twelve (12) months thereafter. JJE further reserves the right to conduct inspections in accordance with **Section 3(e)**. Any examination under this **Section 17** will be conducted during normal business hours and upon advance written notice to the Supplier. Supplier will use its best efforts to permit JJE to obtain from Permitted Subcontractors the information and permission to conduct the reviews specified in this **Section 17**, regardless of any other right JJE may have to that information or facilities.

18. Compliance with Law

Supplier shall comply with all applicable laws and regulations and shall obtain all applicable permits and licenses required in connection with its obligations under this Agreement. Without limiting the generality of the foregoing, Supplier shall: (i) comply fully with all applicable data protection, privacy, and similar laws and regulations of the United States of America, the European Union, and other countries; (ii) comply fully with all applicable export laws and regulations of the United States of America, the European Union, and other countries, including, but not limited to, the International Traffic in Arms Regulations (“ITAR”), the Export Administration Regulations (“EAR”), and the regulations administered by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) (collectively “U.S. export and import control laws and regulations”), and Supplier shall promptly notify JJE if any Good (including any technical data) provided hereunder is subject to U.S. export and import control laws and regulations; and (iii) comply fully with all applicable anti-corruption and anti-bribery laws, including, but not limited to, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and the anti-corruption laws, regulations and policies of the home country of Supplier (hereinafter “Anti-Corruption Requirements”). Supplier warrants and represents that no compensation payable hereunder has been used, nor will be used, for any activity or purpose where a reasonable belief exists that the Anti-Corruption Requirements would be violated or that Supplier or JJE would be exposed to liability under any of the Anti-Corruption Requirements. Supplier also warrants and represents that none of its principals, officers, directors, shareholder, employees, or agents has performed or will perform any act related to or arising out of this Agreement with JJE that would constitute a violation, or present a credible risk of a violation, of the Anti-Corruption Requirements. Supplier will provide JJE with material safety data sheets regarding the Goods and, upon JJE’s reasonable request, will provide JJE with any other information reasonably required in order to comply with applicable laws. Supplier assumes all responsibility for shipments of Goods requiring any government import clearance. At JJE’s request, Supplier shall certify in writing its compliance with any or all of the foregoing. JJE requires strict compliance with this provision

and has the right to immediately terminate any Purchase Order or this Agreement if there is a breach hereof.

19. Waiver

No waiver by JJE of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by JJE. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

20. Force Majeure

Neither Party shall be liable to the other for any delay or failure in performing its obligations under this Agreement to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that Party, without such Party's fault or negligence, and which by its nature could not have been foreseen by such Party or, if it could have been foreseen, was unavoidable ("**Force Majeure Event**"). Force Majeure Events include, but are not limited to, acts of God or the public enemy, floods, fire, earthquakes, explosion, epidemic, war, invasion, terrorist acts, riots or embargoes. Supplier's economic hardship or changes in market conditions are not considered Force Majeure Events. Supplier shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under this Agreement promptly upon the conclusion of any Force Majeure Event. If a Force Majeure Event prevents Supplier from carrying out its obligations under this Agreement for a continuous period of more than sixty (60) days, JJE may terminate this Agreement immediately by giving written notice to Supplier. Supplier will allocate any limited supply of the Goods covered by the Agreement to the fulfillment of its obligations under the Agreement before allocating any of such supply to its other customers or to Supplier's use in its own operations.

21. Assignment

Supplier shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of JJE. Any purported assignment or delegation in violation of this **Section 21** shall be null and void. Notwithstanding the foregoing, no assignment or delegation shall relieve Supplier of any of its obligations hereunder. JJE may at any time assign or transfer any or all of its rights or obligations under this Agreement without Supplier's prior written consent to any Affiliate or to any person acquiring all or substantially all of JJE's assets. In the event that Supplier receives JJE's prior written consent for the use of a subcontractor (such permitted subcontractors, the "**Permitted Subcontractors**"): (a) Supplier remains responsible to JJE for the obligations, acts and omissions of each Permitted Subcontractor and for the fees, expenses, and other compensation payable to each Permitted Subcontractor (it being understood that JJE shall owe no duty or obligation to any subcontractor); (b) Supplier unconditionally guarantees to JJE the complete and timely performance of all of each Permitted Subcontractor's obligations in connection with performance of this Agreement; (c) Supplier shall cause each Permitted Subcontractor to be bound by and comply with all requirements, provisions and obligations of this Agreement; (d) Supplier shall require each Permitted Subcontractor to enter into a confidentiality agreement

regarding the Confidential Information, the terms of which are at least as rigorous as Supplier's obligations under this Agreement; and (e) Supplier agrees upon JJE's reasonable request to cease using a Permitted Subcontractor.

22. Relationship of the Parties

The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.

23. No Third-Party Beneficiaries

This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

24. Governing Law

**ALL MATTERS ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL NOT BE GOVERNED BY THE PROVISIONS OF THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS OR THE UNITED NATIONS CONVENTION ON THE LIMITATION PERIOD IN THE INTERNATIONAL SALE OF GOODS, AS AMENDED, BUT INSTEAD ARE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF MICHIGAN WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE OF ANY OTHER JURISDICTION THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION.**

25. Notices

All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the Parties at the addresses set forth on the face of the Purchase Order or to such other address that may be designated by the receiving Party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving Party, and (b) if the Party giving the Notice has complied with the requirements of this Section.

26. Severability

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

27. Survival

Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited

to, the following provisions: **Section 5 (Warranties)**, **Section 6 (Product Liability)**, Section 7 (Intellectual Property Rights), Section 9 (Confidential Information), Section 12 (Default and Remedies),Section 13 (Service and Replacement Parts), Section 15 (Dispute Resolution), Section 17 (Audit Rights), Section 18 (Compliance with Law), Section 25 (Notice) and Section 27 (Survival).