

Wykroty, 01.04.2022r.

**GENERAL TERMS AND CONDITIONS OF PURCHASE
TOYOTA BOSHOKU POLAND SP. Z O.O.**

1. Entities, definitions

1.1 Capital letter terms found in this document shall have the following meaning:

1.1.1 GTCP – these General Terms and Conditions of Purchase with appendices and subsequent amendments;

1.1.2 TBPL – Toyota Boshoku Poland sp. z o.o. with its registered office in Wykroty;

1.1.3 Seller – any TBPL business partner with granted business partner status in accordance with TBPL's procedures;

1.1.4 Employee/Employees – TBPL employees;

1.1.5 Order – a document drafted by TBPL and confirmed by the Seller, which together with appendices and the GTCP constitutes the content of the contract between TBPL and the Seller;

1.1.6 Force Majeure – sudden, violent events which cannot be foreseen under normal circumstances, resulting from an act of nature, war or similar event which is beyond the control of the given Party or which was not caused by the such Party; the COVID-19 epidemic and its consequences do not constitute a Force Majeure event within the meaning of the GTCP.

1.2 These GTCP govern the entirety of legal relations connected with TBPL's procurement of goods and services from external contractors – Sellers; they form an integral part of each sales contract concluded by TBPL.

2. Contract purpose and scope

2.1 Each activity, i.e. commencement of design, production, dispatch, invoicing or delivery of goods or services, shall require TBPL's approval of the Order in accordance with these GTCP. Terms and conditions of sale established by the Seller in any written form, request for quotation, tender bid, delivery note or other document shall not apply and shall not be binding upon the Parties.

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- 2.2 Each contract concluded with the Seller shall include, in accordance with priority:
- 2.2.1 any special conditions included in the Order or conditions to which the Order refers expressly;
 - 2.2.2 these GTCP;
 - 2.2.3 the technical data included in the Order or in appendices to the Order.

3. Inspections and testing

- 3.1 TBPL and an interested third party authorised by TBPL shall have the right to inspect or test the goods or services at any reasonable time, in particular where the transaction in question is carried out on the basis of documentation provided by TBPL.
- 3.2 The Seller shall provide any factory production and delivery control plans which TBPL may reasonably require. TBPL must give the Seller a minimum of 5 business days' written notice of the tests to be carried out. TBPL and an interested party authorised by TBPL shall be entitled to participate in the tests. The Seller must provide any test certificates which TBPL may reasonably require.
- 3.3 The performance of inspections and tests in accordance with this provision shall not relieve the Seller of its tort or contractual liability to TBPL or be equivalent to TBPL's acceptance of the quality and quantity of the goods and services.
- 3.4 The inspections and tests specified in section 3.1 are not performed if the nature of the Order, in particular its subject, completion date, etc. prevents them from being carried out.
- 3.5 TBPL may waive inspection and testing in the case of a subsequent contract with a particular Seller and concerns a fixed range.

4. Ownership rights and risks

- 4.1 The ownership right to the goods shall pass to TBPL upon delivery.
- 4.2 The risk of conformity of goods delivered in accordance with the contract shall pass to TBPL at the time of official inspection of the goods delivered, but no later than 30 days after delivery.
- 4.3 Goods belonging to or supplied by TBPL which are in the Seller's possession for any purpose must be clearly marked and registered by the Seller as belonging to TBPL and the risk of possession of

TBPL goods shall be borne by the Seller. In particular, the Seller shall be obliged to make every effort to protect the goods belonging to TBPL from being secured or seized in enforcement proceedings conducted against entities other than TBPL.

5. Delivery date

- 5.1 The Order must specify the delivery date, the date of completion of works or services or, in the case of regular services, the term of the contract, and the manner and dates of cyclical deliveries.
- 5.2 TBPL shall have the right, by sending a revised delivery schedule to the Seller or otherwise, to postpone the date of delivery of the goods or any consignment thereof should a Force Majeure event occur, including, for the avoidance of doubt, a reduction in the number of orders from TBPL's customers for reasons beyond TBPL's control, which shall not constitute a breach of contract with the Seller and shall not give rise to any claim for damages by the Seller. Otherwise, the deadlines specified in the Order shall apply.
- 5.3 The Seller must inform TBPL of any delays in delivery or performance against the agreed deadlines.
- 5.4 If the Seller fails to deliver all or part of the goods or fails to perform the services by the agreed deadline or fails to replace rejected goods or improve the quality of services by the deadline specified in the GTCP or in the Order, TBPL may, without prejudice to its other rights, withdraw from the Order or part thereof and order the goods from another supplier, charging the Seller for the expenses and losses incurred by TBPL on this account.
- 5.5 Any additional shipping and other charges, any expenses or fees associated with ensuring the availability of goods which would otherwise be delivered after the agreed date shall be borne by the Seller. The Seller shall be entitled to compensation from TBPL if the costs mentioned above were incurred through the fault of TBPL.
- 5.6 In the event of delay in delivery of goods or services, TBPL shall have the right to charge the Seller a contractual penalty in the amount corresponding to 1% of the value of the ordered goods or services for each day of delay, not exceeding 15% of the value of the goods or services. For cyclical services, the value of the services ordered shall be calculated for the entire period of cooperation, not more than one year.

5.7 If the value of TBPL's damage exceeds the value of the contractual penalty, it may claim compensation for the part exceeding the penalty on general principles.

6. Compliance

- 6.1 The goods and services must fulfil the requirements contained in the Order, and the goods must be fit for the purpose intended. The goods must be manufactured and the services performed in accordance with best engineering practices and all standards and regulations applicable in the territory of the Republic of Poland. The goods must be supplied complete with all necessary instructions, warnings and other data required for safe and correct storage, assembly, handling, use and maintenance. The goods and services which do not meet the above requirements shall be considered defective.
- 6.2 The goods must conform to Polish Standards and be admitted for marketing in the territory of the Republic of Poland in accordance with the mandatory provisions of law, including in particular, Regulation (EC) No. 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No. 339/93 (CE certificate).
- 6.3 Machines supplied to TBPL must comply with the following regulations:
- 6.3.1 Machinery Directive 2006/42/EC;
 - 6.3.2 Directive 2009/127/EC;
 - 6.3.3 Low Voltage Directive (LVD) 2006/95/EC;
 - 6.3.4 Directive 2014/35/EU;
 - 6.3.5 Directive 2014/30/EU.
 - 6.3.6 Polish regulations which introduce the above Directives into the Polish legal order;
 - 6.3.7 any legislation which modifies or replaces the aforementioned regulations in the EU and in the Republic of Poland.
- 6.4 If the Seller sells goods from outside the EU, the Seller shall be responsible for complying with the phytosanitary conditions of the goods and their packaging required by international law for the sale of goods from countries outside the EU (International Plant Protection Convention IPPC FAO, International Standards for Phytosanitary Measures).

- 6.5 If, for any reason, the Seller is uncertain as to the compliance of the goods and services supplied with the above terms and conditions, it shall immediately inform TBPL in writing of the possible non-compliance and the factual and legal steps taken by the Seller to achieve compliance. TBPL shall, as soon as possible, inform the Seller in writing of its acceptance of such goods or services or of its withdrawal from the Order to the extent of the non-compliance attributable to the Seller.
- 6.6 Acceptance of goods or services referred to in this section 6 shall not release the Seller from any liability for non-compliance of goods, packaging services, etc. with the law, the contract and the GTCP.
- 6.7 The Seller shall be permitted to undertake work on TBPL plant's premises only:
- 6.7.1 after reading and signing the Subcontractor's Book provided by the TBPL Coordinator;
 - 6.7.2 participating in the OHS training at TBPL's premises;
 - 6.7.3 after providing the TBPL Coordinator with proof of valid medical examinations, legally required permits, certificates and accreditations necessary to perform the contracted service.
- 6.8 The Seller shall be obliged to comply with the requirements of the Subcontractor's Book and to provide all its employees with workstations which comply with applicable standards and regulations relating to occupational health and safety.

7. Deviations

- 7.1 The Seller shall inform TBPL in advance of any change in the production process or change in any parameters of parts or raw materials supplied to TBPL. Any information on changes to part and process parameters should be communicated to the person responsible at TBPL for handling the Order in question. Upon receipt of notification from the Seller, TBPL shall evaluate the changes and inform the Seller of any special requirements, including PPAP, sampling, testing, etc.
- 7.2 The Seller must receive formal authorisation from TBPL before introducing changes.
- 7.3 TBPL reserves the right to charge the Seller for costs arising from quality-related problems caused by unauthorised changes.

8. Prices and payments

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- 8.1 Unless TBPL gives written confirmation of a change in technical data, order volume or scope of delivery, the prices stated in the Order shall be fixed and shall not change throughout the term of the contract.
- 8.2 Unless otherwise specified in the Order, the contractual prices include the costs of DAP delivery (in accordance with INCOTERMS 2020) to the address specified in the Order. Packaging costs shall be deemed to be included in the price of the goods, unless otherwise agreed by the parties in the Order.
- 8.3 Unless otherwise agreed in writing, payment for the contractual services or delivery of goods with the required documentation shall be made by TBPL within 60 days of delivery of the invoice approved by TBPL.
- 8.4 VAT invoices shall only be accepted by TBPL when sent to the following address:
invoice.tbpl@toyota-boshoku.com
- 8.5 TBPL may allow an invoice to be sent via <https://efaktura.gov.pl/> or any equivalent portal permitted by the tax authorities. Information on the choice of the aforementioned method of delivery of invoices shall be provided by TBPL in the manner adopted in communication with the given Seller. As of 1 January 2023, all invoices shall only be accepted by TBPL via <https://efaktura.gov.pl/> unless the provisions establishing the aforementioned obligation are amended by 1 January 2023.
- 8.6 TBPL represents that it has the status of a large entrepreneur within the meaning of Article 4(6) of the Act of 8 March 2013 on counteracting excessive delays in commercial transactions (Journal of Laws of 2020, item 935, as amended).

9. Statutory warranty and warranty

- 9.1 TBPL may examine the services or goods within 30 days from the date of performance or delivery to TBPL (time required for examination). If defects are discovered within this period (defects are also understood to include incorrect installation or commissioning by the Seller or an entity acting on behalf of the Seller), TBPL shall immediately (no later than within 14 days of discovery) send a notice of defects to the Seller. The Seller shall be obliged to collect the contested goods at its own expense. If the goods or services are contested, TBPL shall have the right to require

the Seller to replace them within a period specified by TBPL or to withdraw from the contract through the fault of the Seller.

- 9.2 Notwithstanding the foregoing right, TBPL shall have the right to require the Seller, at its expense and within a period not exceeding 14 days, to repair, replace or reinstall any goods found to be defective. The warranty shall be valid for a period of (24) months from the date of delivery or (18) months from the date of entry into service, whichever comes first. Repaired or replaced goods shall be subject to the above provisions as regards the date of delivery, reinstallation or testing (if necessary), whichever is applicable after replacement or repair.
- 9.3 TBPL may, due to technical conditions or other relevant circumstances, permit the performance of activities under warranty within a longer period than indicated in section 9.2. The permission may only be given to the Seller in writing, otherwise being null and void.
- 9.4 The Seller shall provide TBPL with properly drawn up and complete warranty documents from the manufacturer of the goods on the day of delivery of the goods if the goods have not been manufactured by the Seller.
- 9.5 If the Seller does not take any measures to remedy the detected defect within the period indicated in this section 9:
- 9.5.1 it shall refund any payments made to it by TBPL for the defective goods and TBPL shall have the right to withdraw from the contract through the fault of the Seller; and
- 9.5.2 cover TBPL's costs incurred as a result of having to purchase replacement goods (at market prices at the time of purchase of the replacement goods) from another supplier and any associated costs.
- 9.6 If the deadline specified in section 9.2 is exceeded, TBPL shall have the right to charge the Seller a contractual penalty in the amount corresponding to 1% of the value of the ordered goods or services for each day of delay, not exceeding 15%. For cyclical services, the value of the services ordered shall be calculated for the entire period of cooperation, not more than one year.
- 9.7 If the value of TBPL's damage exceeds the value of the contractual penalty, it may claim compensation for the part exceeding the penalty on general principles.

10. Materials and tools

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- 10.1 If the Seller, in order to perform the contract, must manufacture or purchase tools (including templates, dies, moulds, beds, fixtures, etc.), ownership of these materials shall pass to TBPL upon manufacture or purchase unless otherwise agreed by the Parties. Upon TBPL's request, the Seller shall provide these materials to TBPL.
- 10.2 If, in order to perform the contract, TBPL makes available to Seller the necessary materials (including, without limitation, equipment, components, tools, templates, dies, moulds, beds, fixtures, drawings, prototypes, designs, etc.), such materials shall be and shall remain the property of TBPL. The Seller shall maintain the provided materials in good condition, excluding normal wear and tear in the case of tools such as templates, etc. The Seller may only use the provided materials for the purpose of fulfilling the contract with TBPL. Any additional materials shall be provided by TBPL at its discretion. The Seller shall be liable for damage or loss of provided materials due to misuse or negligence on the part of the Seller.
- 10.3 The Seller shall store said materials in a different location than that of its own materials and shall clearly mark them as belonging to TBPL.
- 10.4 The risk related to any tools (including tools owned by TBPL) shall be borne by the Seller. The Seller shall be obliged to insure these tools for an amount equal to the replacement cost of the tool in question.
- 10.5 It is forbidden to transfer, modify or dispose of tools without the prior written consent of TBPL.

11. Intellectual property and confidentiality

- 11.1 All information and technical knowledge, including drawings, specifications, instructions, samples, tools, designs and other data (whether given verbally, in writing or otherwise) provided by TBPL in connection with the contract ("Knowledge") shall remain the property of TBPL and shall be used by the Seller solely for the performance of the contract.
- 11.2 The Seller must inform TBPL of any claims arising from violation of intellectual property rights in the goods and services under the contract (except for designs provided by TBPL).
- 11.3 The Seller shall neither include in its quotation nor supply goods made using TBPL's tools and materials or in accordance with TBPL's templates, drawings, specifications or designs to any third party without TBPL's prior written consent.

- 11.4 TBPL shall be entitled, without additional fee, to use any copyrighted work created in connection with or incidental to the Seller's performance of the contract. As soon as the Seller has handed over the work in question to TBPL, TBPL shall acquire the Seller's economic copyrights to this work in the fields indicated in Article 50 of the Copyright Act, as well as the right to grant permission to exercise derivative copyrights. In the case of new fields of use, the Seller undertakes to transfer the copyrights in these fields within 14 days from the request. The remuneration for the transfer of copyrights was included in the Seller's remuneration for the performance of the contract.
- 11.5 The Seller shall keep confidential the transferred knowledge, patents, copyrights, design rights and other intellectual property rights under the contract, as well as information about TBPL's customers and any other information designated as confidential (excluding information made public as a result of other activities not deemed to be a breach of contract) and shall not communicate it to any third party without TBPL's prior written consent.
- 11.6 If requested by TBPL, the Seller shall return to TBPL or destroy at TBPL's option any information of the nature described in section 11.5 above.
- 11.7 The Seller, without TBPL's prior written consent, shall not use the trademarks and name of Toyota Boshoku as well as advertise, publish or otherwise make public the fact that the Seller is a supplier to TBPL or has entered into a supply contract with TBPL.
- 11.8 In the event of violation of the provisions of this section 11, the Seller shall pay TBPL a contractual penalty in the amount equal to 10% of the order value. For cyclical services, the value of the services ordered shall be calculated for the entire period of cooperation, not more than one year. The foregoing shall not limit claims for the Seller's violation of copyright and industrial property rights.
- 11.9 If the value of TBPL's damage exceeds the value of the contractual penalty, it may claim compensation for the part exceeding the penalty on general principles.

12. Force majeure

Should performance of the contract be delayed due to a Force Majeure event, the time for performance may be extended accordingly provided that the Party concerned informs the other Party of the event and takes all steps to reduce the delay.

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13. Contract termination

13.1 TBPL shall have the right to withdraw from the contract without any legal consequences on the part of the Seller if:

13.1.1 delivery is delayed or may be delayed by more than 30 days as a result of a Force Majeure event;

13.1.2 the Seller violates the provisions of the contract and does not take any steps to remedy the damage resulting from the violation after receiving a relevant notice;

13.1.3 the Seller fails to deliver the goods at the latest within 3 days by the date specified in the Order;

13.1.4 other circumstances provided for in the GTCP occur.

13.2 If TBPL withdraws from the contract for reasons indicated in section 13.1, the Seller shall pay TBPL a contractual penalty in the amount corresponding to 15% of the value of the ordered goods or services. For cyclical services, the value of the services ordered shall be calculated for the entire period of cooperation, not more than one year. TBPL shall be entitled to claim damages in excess of the contractual penalty on general principles.

14. Liability and compensation claims

14.1 The Seller shall be liable for non-performance or improper performance of the Order on general principles.

14.2 The Seller shall be required to hold valid third party and product defect liability insurance to secure all claims under the contract and shall be required to provide TBPL with proof of insurance whenever requested by TBPL. This obligation may be excluded in the Order.

14.3 The provisions of this section 14 do not nullify the provisions on the obligation to pay the contractual penalty provided for in other sections of the GTCP.

15. Dangerous goods

15.1 If any goods supplied under the GTCP contain any hazardous substances or require special precautions to ensure safety during handling, transport, storage or use, the Seller shall be obliged to provide TBPL with details of the substances and required precautions in writing prior to

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delivery and to ensure, prior to delivery, that the goods are accompanied by appropriate instructions and bear appropriate permanent warnings on the goods or their packaging.

15.2 In particular (but not exclusively), the Seller shall provide TBPL in writing with all data, instructions and warnings required by applicable laws and shall indemnify TBPL against all penalties, requirements, liabilities, claims, costs and expenses incurred as a result of the Seller's failure to comply with its obligations.

16. Transfer of rights

The Seller may not assign to another entity any obligations or claims or subcontract any part of the work without TBPL's prior written consent. The Seller shall be liable for all services and goods supplied and performed by its subcontractor.

17. Disputes with third parties

In the event that any claim is made by a third party against TBPL arising out of the Seller's performance of the contract or relating to goods or services supplied under the contract, the Seller shall, at TBPL's request, provide all necessary support to TBPL in settling such claim at its own expense.

18. Applicable law and jurisdiction

The contract and the rights and obligations of the Parties described in it shall be governed by and construed in accordance with Polish law. The Seller hereby submits to the jurisdiction of the common courts of Poland. The United Nations Convention on Contracts for the International Sale of Goods is hereby not applicable. All disputes shall be settled by the Polish common court with jurisdiction over TBPL's registered office.