

TRW AUTOMOTIVE TERMS AND CONDITIONS OF PURCHASE

These Terms and Conditions of Purchase apply to Buyer's Purchase Orders or Scheduling Agreements, or when referenced in any of Buyer's other documentation.

1. **Definitions:** As used in these Terms and Conditions of Purchase: (a) "Order" means Buyer's offer to buy Goods (as defined below) from Seller in a purchase order, scheduling agreement, amended purchase order or scheduling agreement or other applicable agreement; (b) "Terms of Purchase" mean these Terms and Conditions of Purchase including any technical documents and specifications issued by Buyer relating to the Goods, which are incorporated into and govern each Order; (c) "Buyer" means the affiliated entity of TRW Automotive Inc. identified on the Order or, in the absence of such an identification, the affiliate of TRW Automotive Inc. issuing the Order; (d) "Seller" means the supplier identified on the Order; and (e) "Goods" means the products, equipment, raw materials, components, tooling, and/or other supplies to be delivered and all services to be provided by Seller pursuant to the Order.

2. **ACCEPTANCE:** (A) SELLER SHALL BE DEEMED TO HAVE ACCEPTED THE ORDER AND TO HAVE FORMED A CONTRACT BASED EXCLUSIVELY ON THE ORDER, INCLUDING THESE TERMS OF PURCHASE, WHEN SELLER DOES ANY OF THE FOLLOWING: (I) BEGINS PERFORMANCE UNDER THE ORDER; (II) ACKNOWLEDGES THE ORDER; OR (III) ENGAGES IN ANY OTHER CONDUCT THAT RECOGNIZES THE EXISTENCE OF A CONTRACT WITH RESPECT TO THE SUBJECT MATTER OF THE ORDER. SELLER'S ACCEPTANCE OF THE ORDER IS LIMITED TO AND CONDITIONED UPON SELLER'S ACCEPTANCE OF THESE TERMS OF PURCHASE EXCLUSIVELY. BUYER HEREBY OBJECTS TO AND REJECTS ANY PROPOSAL BY SELLER FOR ADDITIONAL OR DIFFERENT TERMS. IF SELLER PROPOSES ADDITIONAL OR DIFFERENT TERMS, SELLER'S PROPOSAL WILL BE DEEMED A MATERIAL ALTERATION OF BUYER'S TERMS OF PURCHASE, AND BUYER'S TERMS OF PURCHASE WILL BE DEEMED ACCEPTED BY SELLER WITHOUT SELLER'S ADDITIONAL OR DIFFERENT TERMS. IF THE ORDER IS DEEMED AN ACCEPTANCE OF SELLER'S PRIOR OFFER, BUYER'S ACCEPTANCE IS EXPRESSLY CONDITIONED UPON AND LIMITED TO SELLER'S ASSENT TO BUYER'S TERMS OF PURCHASE EXCLUSIVELY.

(B) BUYER AND SELLER AGREE THAT, NOTWITHSTANDING THE PRIOR OR SUBSEQUENT USE BY SELLER OF ANY ORDER FORM, INVOICE OR OTHER DOCUMENT CONTAINING PRINTED TERMS OR CONDITIONS, BUYER AND SELLER ARE CONTRACTING SOLELY ON THE BASIS OF THE ORDER, INCLUDING THESE TERMS OF PURCHASE, WHICH CONTAINS THE ENTIRE UNDERSTANDING OF THE PARTIES AND IS INTENDED AS A FINAL EXPRESSION OF THEIR AGREEMENT AND A COMPLETE STATEMENT OF THE TERMS THEREOF, AND MAY NOT BE AMENDED, MODIFIED OR OTHERWISE SUPPLEMENTED UNLESS SUCH AMENDMENTS, MODIFICATIONS OR SUPPLEMENTS ARE IN WRITING AND SIGNED BY BUYER'S AUTHORIZED REPRESENTATIVE. A PROVISION CONTAINED IN ANY ORDER FORM, INVOICE OR OTHER DOCUMENT USED BY SELLER (WHETHER PRIOR OR SUBSEQUENT TO THE DATE OF THE ORDER) WHICH IS INCONSISTENT WITH THIS PARAGRAPH WILL HAVE NO FORCE OR EFFECT AND WILL NOT BE BINDING ON BUYER UNLESS SUCH PROVISION IS CONTAINED IN AN ORDER FORM, INVOICE OR OTHER DOCUMENT DATED SUBSEQUENT TO THE DATE OF THE ORDER AND IS SPECIFICALLY INITIALED BY BUYER'S AUTHORIZED REPRESENTATIVE.

3. **Term:** Unless otherwise expressly provided in the Order or in any other written agreement between Buyer and Seller, and without prejudice to Buyer's termination rights under paragraphs 14 and 15, the term of the Order is for the period commencing on the date set forth on the Order and continuing for the length of the production life of the applicable Original Equipment Manufacturer ("OEM") vehicle program(s) for which the Goods are supplied, including model refreshes or program extensions, as determined by the applicable OEM customer. Unless specifically waived in writing by an authorized representative of Buyer, Seller's obligations with respect to service and replacement parts contained in paragraph 31 will survive the termination or expiration of the Order.

4. **Quantity:** Unless the Order expressly requires Seller to manufacture, ship and/or provide a specified quantity of Goods, the Order requires Seller to supply Buyer's requirements for the Goods in such quantities as identified by Buyer in delivery schedules, material authorization releases, manifests, broadcasts or similar releases ("Delivery Schedules") that are transmitted to Seller during the term of the Order, and Seller will supply all such Goods on such dates and times, at the price and on the other terms specified in the Order. Buyer's requirements are determined by the needs of Buyer's customers and such needs may change from time to time. Any volumes provided by Buyer to Seller, including volumes identified as projected or estimated or quantities noted as "planning", "forecast" or with words of similar meaning, including forecasted volumes in any requests for quotation, are for planning purposes only and do not represent a commitment or obligation to purchase a specified quantity. Unless otherwise expressly stated in the Order, Buyer makes no representation, warranty, guaranty or commitment of any kind or nature, whether express or implied, to Seller with respect to Buyer's quantity requirements. Delivery Schedules are part of the Order, are governed by these Terms of Purchase and are not independent contracts. Seller accepts the risk associated with lead times of various raw materials and/or components if they are beyond those provided in Delivery Schedules.

5. **Delivery:** (a) Time and quantities are of the essence under the Order. Seller agrees to 100% on-time delivery of the

quantities and at the times specified by Buyer, as stated in the Order and/or related Delivery Schedules. If Seller's deliveries fail to meet Buyer's Delivery Schedules, Buyer, in addition to its other rights, (i) may direct expedited routing and charge Seller for any excess costs incurred as a result, and (ii) may charge Seller for any costs incurred by Buyer and/or Buyer's customers for production delays or stoppages caused by Seller's failure to meet such schedules. Such costs may include, without limitation, inbound and outbound premium freight, excess scrap premium and operational and overtime expenses. Seller may not suspend performance of the Order for any reason. Seller agrees to and shall comply with the additional terms and conditions contained in Buyer's Global Logistics Manual, which are incorporated herein by reference, including without limitation, (i) Seller's obligation to provide to Buyer all documentation and other information requested by Buyer in order for Buyer to fulfill its obligations under the rules and regulations of the U.S. Securities and Exchange Commission or any other governmental agency, as established or amended from time to time, including, without limitation, by providing information concerning the origin of any tantalum, tin, tungsten, gold or other minerals that may be designated in the future by the U.S. Secretary of State (collectively referred to as "conflict minerals") that is included in any Goods, and (ii) any restriction or prohibition relating to the sourcing of conflict minerals contained therein. Further, Seller will include substantially the same requirements in each contract with any of its subsuppliers that provide any material or subcomponent incorporated into the Goods. Buyer's Global Logistics Manual is located on the TRW Automotive Vendor Information Network, located at <https://vin.trw.com> (the "VIN Website"), and Seller acknowledges receipt, review and acceptance of the Global Logistics Manual. Buyer reserves the right at its discretion to revise or amend the Global Logistics Manual at any time, and Seller agrees that any such revised or amended Global Logistics Manual, as posted on the VIN Website or otherwise made available to Seller, shall govern the Order and Seller.

(b) Buyer will not be liable for Seller's commitments or production arrangements in excess of the amount or in advance of the time required under Buyer's Delivery Schedules. Where deliveries are specified to be in accordance with Buyer's Delivery Schedules, Seller will neither produce any Goods, nor procure raw materials, nor ship any Goods, except to the extent authorized by Buyer in writing. If Seller delivers Goods in advance of Buyer's Delivery Schedules, Buyer may either (i) return such Goods at Seller's expense for proper delivery, or (ii) withhold payment for such Goods until the scheduled delivery date and place such Goods in storage for Seller's account until the scheduled delivery date. While the Goods are being returned in accordance with part (i) of the preceding sentence or being retained in accordance with part (ii) of such sentence, the Goods will be at Seller's risk.

6. Quality: Seller will maintain an inspection and quality system acceptable to Buyer and in conformity with all drawings, specifications and data that are referred to or incorporated into the Order, and with any applicable international automotive quality standards and quality programs of Buyer including, without limitation, Buyer's Global Supplier Quality Manual ("GSQM"). The GSQM is located on the VIN Website and Seller acknowledges receipt, review and acceptance of the GSQM. Buyer reserves the right at its discretion to revise or amend the GSQM at any time, and Seller agrees that any such revised or amended GSQM, as posted on the VIN Website or otherwise made available to Seller, shall govern the Order and Seller. Seller will (a) maintain adequate authenticated inspection and test reports, affidavits, and certifications relating to the work performed under the Order, (b) retain such records for a period of fifteen (15) years after completion of the Order or as otherwise specified by Buyer, and (c) make such records available to Buyer upon request. Seller acknowledges that Buyer may reduce its incoming inspection procedures in reliance upon Seller's maintenance of a quality system as required by these Terms of Purchase.

7. Packaging: (a) Seller will supply the Goods in packaging and to the standards specified in the Order, the Global Logistics Manual, or as otherwise specified by Buyer in writing. (b) Where the Order expressly permits returnable packaging to be billed separately by Seller, (i) Seller shall not charge more than its actual cost as of the date the Order is issued, (ii) Seller shall invoice for returnable packaging separately, and (iii) each invoice will be credited upon return of the packaging by Buyer to Seller or its carrier. (c) Unless otherwise stated in the Order, the price for the Goods shall include the costs of all non-returnable packaging.

8. Inspection and Acceptance of Goods: (a) Buyer may inspect all Goods at all times and places, including during the period of manufacture. Such inspection may at Buyer's option include confirmation of Seller's compliance with required quality control procedures. Seller will permit Buyer and/or its designees access to Seller's facilities and those of its sub-suppliers or subcontractors at all reasonable times and will provide all tools, facilities and assistance reasonably necessary for such inspection and/or confirmation at no additional cost to Buyer. All Goods are subject to final inspection and acceptance any time after delivery to Buyer.

(b) Notwithstanding any acts of Buyer that may be deemed under applicable law to constitute acceptance of the Goods, inspection, use or payment for delivered Goods will not constitute acceptance thereof. Buyer may reject any Goods that do not meet the specifications set forth in or incorporated into the Order. Buyer may return any such Goods to Seller for reimbursement, credit, replacement or correction as Buyer may direct, or Buyer may correct and/or replace such Goods at Seller's cost. Any Goods rejected by Buyer will be at Seller's risk and expense and Seller will not thereafter tender such Goods for acceptance unless Seller has corrected the problem with the Goods, notified Buyer that the Goods constitute previously rejected Goods, and Buyer approves such retender of the Goods. Seller will reimburse Buyer for any reasonable costs that result from rejection or correction of nonconforming Goods, including without limitation packaging, handling and transportation costs.

(c) Buyer may revoke its acceptance of Goods at any time, whether or not a substantial modification to the Goods has been

made, if the value of the Goods to Buyer is substantially impaired by a defect or nonconformity in the Goods.

- (d) Buyer's acceptance, inspection, or failure to inspect does not relieve Seller of any of its obligations or warranties. Nothing in the Order releases Seller from the obligation of testing, inspection and quality control.

9. **Product Warranties:** (a) Seller expressly warrants that the Goods: (i) will be fit and sufficient for the purpose intended (to the extent Seller or any of its subcontractors, agents or suppliers designed or participated in the design of the Goods in whole or in part, even if the design has been approved by Buyer); (ii) will be of merchantable quality and free from all defects, including defects in material and workmanship, and in design (to the extent designed in whole or in part by Seller or any of its subcontractors, agents or suppliers, even if the design has been approved by Buyer); (iii) will conform with all representations, descriptions, samples, drawings, plans, standards, specifications, and designs furnished to or by Buyer or identified on or incorporated into the Order (including without limitation the internal standards and specifications of Seller and its sub-suppliers); (iv) will conform to all applicable laws, orders, regulations and standards in countries where the Goods or vehicles incorporating the Goods are to be sold; (v) will be free of all liens, claims and encumbrances whatsoever; and (vi) at all times during the Term of the Order will remain competitive in terms of price, quality, delivery, technology and service. These warranties are in addition to those available to Buyer by law.

- (b) The warranty period during which the foregoing warranties apply will be the longest of: (i) three years commencing on the date upon which Buyer accepts the Goods; (ii) the duration of the warranty period extended by Buyer to its customer with respect to the product into which the Goods have been incorporated; (iii) the warranty period provided by applicable law; or (iv) the warranty period offered by the OEM to end-users of vehicles into which the Goods are incorporated, and provided further that if Buyer or Buyer's customer (or OEM, if different than Buyer's customer) voluntarily or pursuant to a governmental mandate, makes an offer to owners of vehicles into which the Goods are incorporated to provide remedial action or to address a defect in vehicles relating to the Goods, Seller's warranty shall continue for such period of time as may be dictated by Buyer's customer (or vehicle OEM, if different), or the governmental authority.

- (c) All warranties hereunder will survive Buyer's acceptance, use and/or payment and will run to Buyer and its customers.

- (d) Buyer's review or approval of any samples, drawings, specifications or other data developed by Seller in connection with the Order will not limit Seller's responsibility under the warranties contained herein or alter the cost, rate of output or delivery requirements of the Order.

- (e) Buyer's specifications and requirements take precedence over industry standards. Seller will advise Buyer in writing if Buyer's specifications or requirements are not as rigorous or extensive as industry standards.

- (f) If the Goods were designed by Buyer, Seller will advise Buyer in writing if Seller believes or knows that the Goods will not be fit or sufficient for the purpose intended.

10. **Product Indemnification:** Seller will indemnify, defend and hold harmless Buyer, its officers, employees, agents, successors, assigns, customers, and users of its products from and against any and all losses, expenses, damages, claims, suits and liabilities (including recall, repair and replacement expenses and other incidental and consequential damages, court costs and attorneys' and other professional fees) arising out of or relating to: (a) an actual or alleged breach of any express or implied warranty with respect to the Goods; (b) an actual or alleged breach of any terms contained in the Order, including these Terms of Purchase; or (c) any tort, negligence or other claims premised in whole or in part on either an actual or alleged defect in the Goods. At Buyer's request, Seller will assume promptly full responsibility for the defense of any action described in this paragraph which may be brought or threatened by a third party against Seller and/or Buyer.

11. **Infringement Indemnification:** Seller will indemnify and hold harmless Buyer, its officers, employees, agents, successors, assigns, customers and users of its products from and against any and all losses, expenses, damages, claims, suits and liabilities (including incidental and consequential damages, court costs and attorneys' and other professional fees) arising out of or relating to any claim that the manufacture, use, sale or resale of any Goods infringes any patent, utility model, industrial design, copyright, or other intellectual property right in any country. Seller expressly waives any defense or claim against Buyer that any such alleged infringement arose out of compliance with Buyer's specifications. Seller will, when requested by Buyer, defend any action or claim of such infringement at its own expense. Seller's obligations under this paragraph apply even though Buyer furnishes all or any portion of the design of or specifies all or any portion of the processing for the Goods. If the sale and/or use of the Goods is enjoined or, in Buyer's sole judgment, is likely to be enjoined, Seller will, at Buyer's election and Seller's sole expense, either procure for Buyer the right to continue using such Goods, or replace same with equivalent non-infringing goods, or modify such Goods so they become non-infringing, or remove same and refund the purchase price, including transportation, installation, removal and other charges incidental thereto.

12. **Changes:** (a) Buyer may at any time, by written notice to Seller, make changes, or require Seller to make changes, to drawings, designs, materials, specifications, sub-suppliers, samples or descriptions of Goods, and/or to time and place of delivery or method of transportation. Seller will promptly make any change requested by Buyer. In order for Seller to request a reasonable difference in price or time for performance as a result of such a change, Seller must notify Buyer of its request in writing within ten (10) working days after receiving notice of the change. If Seller's claim includes any cost for

property made obsolete as a result of the change, the claim must be supported by releases (or other forms of authorization) provided by Buyer authorizing Seller to procure or manufacture the property, and Buyer may prescribe the manner in which such property will be disposed. Buyer may request additional documentation from Seller relating to request for adjustments. After receiving all requested documentation, Buyer may, in its discretion, equitably adjust the price or time for performance. If Seller does not provide timely notice to Buyer that a requested change may result in a difference in price or time for performance, Buyer's requested change will not affect the price or time for performance. Pending the resolution of any dispute regarding any adjustment to price resulting from any change by Buyer hereunder, Seller shall continue performing its obligations under the Order, including making the change by Buyer.

(b) Seller shall not make any changes relating to the Goods, including without limitation, changes in the material, content, design, specifications, manufacturing processes, packing, marking, shipping, pricing, delivery dates or places, or manufacturing location (including within Seller's site), except at Buyer's written instruction or with Buyer's advance written approval signed by its authorized representative.

13. Force Majeure: If, due to forces beyond its control, Buyer determines to alter Buyer's delivery schedule to delay delivery, the provisions of this paragraph (rather than the preceding paragraph) will control. Seller will hold any such delayed Goods at the direction of Buyer and will deliver them when the cause affecting the delay has been removed. Buyer will be responsible only for Seller's direct additional costs (excluding interest on the purchase price) incurred in holding the Goods or delaying performance at Buyer's request. Any delay or failure of either Buyer or Seller to perform its obligations hereunder shall be excused if, and only to the extent that it is caused by, an event or occurrence beyond the reasonable control of the party and without its fault or negligence, such as by way of example and not by way of limitation, acts of God, actions by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars, sabotage or court injunction or order. During the period of such delay or failure to perform by Seller, Seller shall provide Buyer with prompt written notice of such delay (including a description of the cause of the event or circumstance, an estimate of the duration of the delay and a statement regarding the remedial steps that are being undertaken to resume performance and Seller's interim allocation plans, if any, for the supply of Goods during the delay). During such period, Buyer, at its option, may purchase goods from other sources and reduce its schedules to Seller by such quantities, without liability to Seller, or have Seller provide the goods from other sources in the quantities and at the delivery times requested by Buyer and at the price set forth in the Order. Seller will notify Buyer immediately of any actual or potential labor dispute affecting Seller or its suppliers that delays or threatens to delay performance of the Order. Seller will also notify Buyer in writing six (6) months in advance of the expiration of any current labor contracts of Seller. At least ten days prior to the expiration of any labor contract of Seller, Seller at its expense will establish at least a thirty (30) working day supply of Goods in a neutral warehouse at a location reasonably acceptable to Buyer. If requested by Buyer, Seller shall, within ten (10) days of the request, provide adequate assurances that any delay shall not exceed thirty (30) days. If the delay lasts more than thirty (30) days or Seller does not provide adequate assurance that the delay will cease within thirty (30) days, Buyer may immediately cancel the Order without liability.

14. Termination for Convenience: (a) In addition to any other rights of Buyer to cancel or terminate the Order, Buyer may terminate the Order at any time for its convenience by giving at least ten (10) days written notice to Seller. Upon receipt of notice of termination, and unless otherwise directed by Buyer, Seller will: (i) promptly terminate all work under the Order on the effective date of termination set forth in the notice; (ii) transfer title and deliver to Buyer the finished Goods, the work in process, and the parts and materials that Seller reasonably produced or acquired according to quantities ordered by Buyer and that Seller cannot use in producing goods for itself or for others; (iii) verify and settle any claims by Seller's subcontractors or sub-suppliers for actual and reasonable costs incurred directly as a result of the termination and ensure the recovery of materials in subcontractors' or sub-suppliers' possession; (iv) take actions reasonably necessary to protect property in Seller's possession in which Buyer has an interest; and (v) upon Buyer's request, cooperate with Buyer in any transition of supply of Goods to a different supplier pursuant to paragraph 16.

(b) Upon termination by Buyer under this paragraph, Buyer will be obligated to pay only the following: (i) the Order price for all finished Goods in the quantities ordered by Buyer that conform to the Order for which Seller has not been paid; (ii) Seller's reasonable actual cost of merchantable and useable work-in-process and the parts and materials transferred to Buyer under subparagraph 14(a)(ii) above; (iii) Seller's reasonable actual costs of settling claims regarding its obligations to its subcontractors or sub-suppliers required under the Order, to the extent directly caused by the termination, but limited to raw materials/components necessarily required in order to manufacture the amount of the firm quantities of Goods specified in Delivery Schedules issued by Buyer and then currently outstanding; (iv) Seller's reasonable actual cost of carrying out its obligation under subparagraph 14(a)(iv) above, and (v) if applicable, amounts due in connection with transition of supply under paragraph 16.

(c) In the event that the Order relates to Buyer's purchase of capital equipment, Buyer's obligation to pay Seller will be limited to the lesser of either Seller's actual cost for direct labor and other expenses directly and reasonably incurred pursuant to the Order prior to receipt of notice of termination, or the percentage of the original purchase price as the work done by Seller prior to receipt of notice of termination bears to the entire work covered by the Order, less any previous payments.

(d) Notwithstanding any other provision in these Terms of Purchase, Buyer will have no obligation for and will not be required to pay Seller, directly or on account of claims by Seller's subcontractors or sub-suppliers, for loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, tooling,

facilities and equipment rearrangement costs or rental, unamortized capital or depreciation costs, finished goods, work-in-process or raw materials that Seller fabricates or procures in amounts exceeding those authorized in the Delivery Schedules, or general administrative burden charges from termination of the Order, except as otherwise expressly agreed in a separate Order issued by Buyer. Buyer's obligation upon termination under this paragraph will not exceed the obligation Buyer would have had to Seller in the absence of termination. Seller will furnish to Buyer, within one month after the date of termination (or such shorter period as may be required by Buyer's customer), its termination claim, which will consist exclusively of the items of Buyer's obligation to Seller that are expressly permitted by this paragraph. Buyer may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim. Buyer will have no obligation for payment to Seller under this paragraph if Buyer terminates the Order or any portion of the Order because of a default or breach by Seller, and any termination shall be without prejudice to any claims that Buyer may have against Seller. In the event of a termination of the Order by Buyer as a result of Buyer ceasing to be a supplier to the customer for the vehicle program in respect of which Buyer issued the Order, Buyer shall only be obligated to compensate Seller for any costs under this paragraph if, and to the extent that the customer reimburses Buyer specifically for such costs.

15. Termination for Cause: Buyer may terminate all or any part of the Order upon written notice to Seller, but without liability to Seller, in the following circumstances: (a) Seller repudiates, breaches or threatens to breach any of the terms of the Order; (b) Seller fails or threatens not to deliver Goods or perform services in connection with the Order; (c) Seller becomes insolvent, files for bankruptcy, liquidates or dissolves, or makes an assignment or has a change of control in violation of Section 30; (d) upon the occurrence of any other event which causes reasonable doubt as to Seller's ability to perform under the Order; or (e) Seller fails to remain competitive with respect to quality, technology, delivery, service or pricing of the Goods. Seller shall reimburse Buyer for all incidental and consequential damages, including without limitation attorneys' and other professional fees and court costs, incurred by Buyer in connection with any breach of the Order by Seller, or any action by Buyer to enforce its rights under the Order. If, after termination pursuant to this paragraph, it is determined that termination was not for cause, the rights and obligations of Buyer and Seller will be the same as if the termination were for convenience pursuant to paragraph 14.
16. Transition of Supply: (a) The parties acknowledge that the Goods represent components that will be incorporated into motor vehicles, and that any disruption in the supply of Goods would materially and irreparably harm Buyer and Buyer's customers, and that any re-sourcing of the Goods by Buyer to alternative supply sources would require significant time, effort, cost and resources. Accordingly, in the event the Order expires or is terminated, Seller agrees to cooperate in the transition of supply, including without limitation the following: (i) Seller will continue production and delivery of all Goods as ordered by Buyer, at the prices and other terms stated in the Order as of the date of termination or expiration, without premium or other condition, for a period of twenty-four (24) months from the date of expiration or termination, or such longer period reasonably needed by Buyer to complete the transition to any alternate supplier(s) including, at Buyer's request, providing a sufficient bank of Goods covered by the Order, such that Seller's action or inaction causes no interruption in Buyer's ability to obtain Goods as needed; (ii) at no cost to Buyer, Seller (A) will promptly provide all requested information and documentation regarding and access to Seller's manufacturing process, including on-site inspections, bill-of-material data, tooling and process detail and samples of Goods and components, (B) when requested by Buyer, will return to Buyer all Buyer's Property in as good condition as when received by Seller (reasonable wear and tear excepted); and (C) will comply with Seller's obligations relating to Seller's Property in paragraph 21, and in relation to subcontracts.
- (b) Seller acknowledges that the terms of this paragraph 16 are reasonable under the circumstances, and that if Seller asserts or claims that Seller may terminate the Order at will for any reason prior to the expiration of the Term, Seller will nonetheless perform its obligations under this paragraph 16, including its supply obligations in subparagraph (a) above, except in the case where Seller's termination of the Order is based on Buyer's material breach of the Order (as finally determined by a court of competent jurisdiction following notice to Buyer and Buyer's reasonable opportunity to cure).
17. Confidentiality; Advertising: (a) Seller will consider all information furnished by Buyer hereunder (including drawings, specifications, or other documents prepared by Seller for Buyer in connection with the Order) to be confidential and will not disclose any such information to any other person, or use such information itself for any purpose other than performing the Order, unless Seller obtains Buyer's prior written permission.
- (b) Seller will not advertise or publish to any third party in any manner the fact that Seller has contracted to furnish Buyer the Goods covered by the Order or any terms of the Order (including prices), or use any trademarks or trade names of Buyer in any press release, advertising or promotional materials, without first obtaining Buyer's written consent.
- (c) Unless otherwise agreed in writing, no information disclosed in any manner or at any time by Seller to Buyer will be deemed secret or confidential, and Seller will have no rights against Buyer with respect thereto except such rights as may exist under patent laws.
18. Intellectual Property Rights: (a) Seller retains ownership of any patent, know-how, trade secret, trademark, service mark, copyright, or other intellectual property right that (i) is conceived solely by its employees and (ii) is related to the Goods or is otherwise provided to Buyer in connection with the supply of the Goods ("Seller's Intellectual Property Rights"). The foregoing notwithstanding, Buyer retains ownership of, and Seller's Intellectual Property Rights do not include,

specifications or other intellectual property rights (whether embodied in Tooling or the Goods) that are created by Seller or its subcontractors pursuant to instructions of the Buyer or as a result of development or tooling costs that are funded by Buyer or are otherwise amortized into the price of the Goods.

- (b) Seller grants to Buyer and its affiliates a non-exclusive, royalty-free, irrevocable right and license, including the right-to-sublicense, to use Seller's Intellectual Property Rights for any purpose, including the right to (i) make, have made, sell, offer to sell and distribute products anywhere in the world, (ii) repair, rebuild, reconstruct and relocate the Goods, and (iii) reproduce copyrighted materials, distribute copyrighted materials to customers and others, publicly display and prepare derivative works based upon such copyrighted materials.

19. **Indemnity; Insurance:** (a) To the extent Seller's agents, employees or subcontractors enter upon premises occupied by or under the control of Buyer or any of its customers or suppliers in the course of the performance of the Order, Seller will take reasonable steps to prevent any injury to persons or property arising out of acts or omissions of such agents, employees, or subcontractors. Except to the extent that any such injury or damage is due solely and directly to Buyer's negligence, Seller will indemnify, defend and hold Buyer, its officers, employees and agents, harmless from and against any and all losses, expenses, damages, claims, suits, or any liability whatsoever (including incidental and consequential damages, court costs and attorneys' and other professional fees) arising out of or relating to any act or omission of Seller, its agents, employees or subcontractors.

- (b) Seller will maintain and require its subcontractors to maintain the following types of insurance, for the Term of the Order, with minimum limits as follows:

- (i) General liability covering liability arising from premises, operations, independent contractors, products completed operations, personal and advertising injury and blanket contractual liability – US \$5,000,000 or equivalent local currency limit each occurrence.
- (ii) Automobile Liability covering all owned, hired and non-owned vehicles – US \$1,000,000 or equivalent local currency limit each occurrence, including all applicable statutory cover.
- (iii) Workers' compensation and employer's liability insurance covering all employees engaged in the performance of the Order for claims arising under any applicable workers' compensation, occupation disease or health and safety laws and/or regulations.

All required policies of insurance shall be written as primary policies; not contributing with or in excess of coverage that Buyer may carry. Upon request by Buyer, Seller will furnish certificates evidencing such insurance which will expressly provide that no expiration, termination or modification will take place without thirty (30) days' written notice to Buyer. Any of Buyer's Property used by Seller in the performance of the Order will be deemed to have been under the sole custody and control of Seller during the period of such use by Seller.

20. **Buyer's Property:** (a) All information and materials, including, without limitation, supplies, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, castings, cavity dies, packaging, documents, standards, specifications, samples, trade secrets, proprietary information and other items furnished by Buyer, either directly or indirectly, to Seller to perform the Order, or for which Seller has been reimbursed by Buyer, or for which Buyer has agreed to reimburse Seller (such reimbursement being by way of specific payment or amortization in the piece price), will be and remain the property of Buyer and held by Seller on a bailment basis ("Buyer's Property") and will be marked or tagged by Seller as such. Buyer's Property will include 3D models and other data used to produce Buyer's Property. Seller will bear the risk of loss of and damage to Buyer's Property. Buyer's Property will not be used by Seller for any purpose other than the performance of the Order; will not be commingled with the property of Seller or with that of a third person; and will not be moved from Seller's premises or altered without Buyer's prior written consent. Seller will keep adequate records of Buyer's Property, which records will be made available to Buyer upon request, and will store, protect, preserve, repair and maintain Buyer's Property in accordance with sound industrial practice, all at Seller's expense. Any Buyer's Property repaired, rebuilt, modified or replaced by Seller will remain Buyer's Property, regardless of whether Buyer has reimbursed Seller for such repair, rebuild, modification or replacement. Buyer will have the right to enter Seller's premises at reasonable times to inspect Buyer's Property. To the extent permitted by law, Seller waives any lien or other rights that Seller might otherwise have on any of Buyer's Property for work performed on such property or otherwise.

- (b) If Buyer's Property becomes lost or damaged while in Seller's possession, Seller will indemnify Buyer or replace such property at Seller's expense, in accordance with Buyer's request. Buyer has the right to take immediate possession of Buyer's Property at any time without payment of any kind. Seller agrees to cooperate with Buyer if Buyer elects to take possession of Buyer's Property. Effective immediately upon written notice to Seller, without further notice or legal action, Buyer has the right to enter the premises of Seller and take possession of all of Buyer's Property. Seller expressly waives any right to additional notice or process and agrees to provide Buyer or its nominee(s) with immediate access to Buyer's Property. Seller grants to Buyer a limited and irrevocable power of attorney, coupled with an interest, to execute and record on Seller's behalf any notice financing statements with respect to Buyer's Property that Buyer determines are reasonably necessary to reflect Buyer's interest in Buyer's Property. Upon the request of Buyer, Buyer's Property will be immediately released to Buyer or delivered to Buyer by Seller either (i) FCA (Incoterms® 2010) properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport

such property, or (ii) to any location designated by Buyer, in which event Buyer will pay to Seller the reasonable costs of delivering such property to such location. Seller's obligations to release or deliver Buyer's Property shall not be subject to any set off or counterclaim arising from this or any other transaction with Seller except that if Buyer agreed to amortize the purchase price of Buyer's Property in a written amortization schedule, Buyer will pay the unamortized balance of such purchase price contemporaneously with the release or delivery of such item of Buyer's Property. To the extent that Buyer's Property is in the possession or control of a subcontractor or supplier to Seller, Seller will cause such party to release such property to Buyer in accordance with this paragraph.

21. Seller's Property: (a) Unless otherwise specified in the Order, Seller, at its expense, will furnish, keep in good working condition capable of producing Goods in quantities ordered by Buyer and meeting all applicable specifications, and replace when necessary, all materials, machinery, equipment, tools, jigs, dies, gauges, fixtures, molds, patterns, blueprints, designs, specifications, drawings, photographic negatives and positives, art work copy layout and other items that are not Buyer's Property and that are necessary for the production of Goods under the Order ("Seller's Property"). Seller will insure Seller's Property with full fire and extended coverage insurance for its replacement value. If Seller uses Seller's Property to produce goods or services similar to Goods for other customers, including aftermarket customers, such goods or services will not incorporate any of Buyer's Property, logos, trademarks, tradenames or part numbers. Seller will not disclose or imply in its marketing efforts that such goods or services are equivalent to those purchased by, or configured for, Buyer.
- (b) Seller grants to Buyer an irrevocable option to take possession of and title to Seller's Property that is used for production of Goods under the Order (including, by way of example, and without limitation, Seller's Property specially designed or configured for the manufacture or assembly or other processing of Goods), upon payment to Seller of its net book value less any amounts that Buyer has previously paid to Seller for the cost of such items, or (if applicable) any such other amount as may be required by applicable law. This option does not apply if Seller's Property is used to produce goods that are the standard stock of Seller or if a substantial quantity of like goods is being sold by Seller to others.
22. Health, Safety and Environment/Sustainability/Corporate Responsibility: (a) Seller will maintain a system designed and implemented to achieve compliance with all applicable legal and other recognized standards relating to the protection of health, safety and environment ("HSE"), sustainability, and corporate responsibility ("HSE Requirements") and aiming for continuous improvement. Seller shall periodically assess such system and implement continuous improvement opportunities. Upon written request, Seller shall provide Buyer with documentation of such system.
- (b) All Goods provided by Seller under the Order will be formulated, designed, constructed, finished, packaged and labeled as to comply with all applicable HSE Requirements, including but not limited to: (i) ensuring the Goods comply with any applicable CE marking requirements, bear a properly affixed CE mark as appropriate, and have a certificate of conformity and comply with all necessary technical specifications; (ii) fully disclosing to Buyer all materials and substances contained in the Goods using the International Material Data System (IMDS) (www.mdssystem.com) and in accordance with TRW's Global Standard for Control of Prohibited & Restricted Substances, B 080 3 01, which is part of Buyer's GSQM, as soon as possible after the award of business; (iii) complying with European Union (EU) Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation requirements, as applicable, for Goods sold to Buyer, including the following: substances listed on REACH Annex XIV must not be used in materials and components supplied to TRW after the given sunset date; for all new developments as well as for parts being produced after the sunset date, suppliers shall develop suitable substitutes; in cases where the supplier is not able to perform the substitution, they must inform their contact at TRW and secure a REACH authorization for continued use of any substance listed in REACH Annex XIV contained in any material or preparation and ensure that TRW's "use activity" is included in the REACH authorization; (iv) ensuring the Goods comply, as applicable, with substance prohibitions in the End of Life Vehicle (ELV) Directive, 2000/53/EC, as amended; (v) providing Buyer with Safety Data Sheets (SDS) for materials and mixtures, including hazard information and safe use practices, in accordance with the United Nation's Globally Harmonized System (GHS) of Classification and Labeling of Chemicals and the European Classification, Labeling & Packaging (CLP) regulation.
- (c) Seller agrees to economically use raw materials, energy, water and other natural resources and to seek continuous improvement in the environmental sustainability of the Goods throughout their life-cycle (production, use and disposal).
- (d) Seller agrees to supply information requested by Buyer to satisfy Buyer's own HSE Requirements, including responding to regulatory and/or customer requests regarding the composition and environmental sustainability of the Goods, including energy use.
23. Compliance with Laws; Government Contracts: (a) In the performance of the Order, Seller will fully comply with all applicable laws, including rules, regulations, orders, conventions, ordinances and standards, and will, among other things, when acting on behalf of Buyer in any way, (i) comply with all applicable anti-bribery laws including, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010, as such acts may be amended from time to time, and (ii) not make, directly or indirectly, any payments or give anything of value to (A) any government official (which includes employees of government-owned companies), political party or party candidate for the purpose of either influencing such person in his or her official capacity or securing an improper advantage, in order to obtain or retain business or an advantage in conducting such business, or (B) any other person in order to induce or reward such person for the corrupt or improper performance of a function or activity in the course of such person's employment or when acceptance of the offer would itself

constitute such corrupt or improper performance.

(b) If all or any portion of the Order is for Goods that are intended for use, directly or indirectly, in support of a U.S. government contract, the terms and conditions on TRW Form GC-1, as updated from time to time, located on the VIN Website, shall apply to and govern the Order and are incorporated herein by reference. Further, each reference to Buyer shall be deemed to include a reference to the United States Government.

24. Taxes: Seller's prices will be exclusive of any taxes levied upon, or measured by, the sale, the sales price, or use of the Goods. Seller will list separately on its invoice any such tax lawfully applicable to the Goods and payable by Buyer with respect to which Buyer does not furnish to Seller lawful evidence of exemption.
25. Set Off/Recoupment: In addition to any right of setoff or recoupment provided by law, all amounts due to Seller shall be considered net of indebtedness of Seller and its affiliated entities to Buyer and its affiliated entities. Buyer will have the right to set off against or to recoup from any payment or other obligation owed to Seller, in whole or in part, any amounts due to Buyer or its affiliated entities from Seller or its affiliated entities.
26. Payments; Pricing: (a) Buyer will pay the prices stipulated on the Order for Goods delivered and accepted, less deductions, if any, as herein provided, but only (i) upon submission by Seller of an invoice issued by Seller to Buyer following delivery of the Goods covered by the invoice, and then payment will be made net 90 days from receipt of invoice or (ii) pursuant to other mutually agreed-upon arrangements.
- (b) Except as expressly stated on the Order, the price of Goods stated on the Order is complete and includes storage, handling, packaging and all other expenses and charges of Seller, and no surcharges, premiums or other additional charges of any type shall be added without Buyer's express written consent. Prices are not subject to increase, unless specifically stated in the Order, and Seller assumes the risk of any event or cause affecting prices, including without limitation, foreign exchange rates, increases in raw material costs, inflation, any decreases in Buyer's requirements for Goods under the Order, increases in labor and other production and supply costs, and any other event which impacts the price or availability of materials or supplies.
27. Title and Risk: (a) Unless otherwise agreed in writing between Seller and Buyer, title and risk of loss relating to the Goods shall pass to Buyer when the Goods have been delivered in the condition and to the address specified in the Order, and an authorized representative of Buyer has signed for delivery of the Goods or accepted the Seller's services, as applicable. All risk of loss relating to the Goods shall remain with Seller prior to such time.
- (b) No "reservation of title" clause requested by Supplier may be invoked or raised against Buyer unless it has been expressly accepted in writing by Buyer.
- (c) SELLER AGREES NOT TO STIPULATE TO ANY RESERVATION OF TITLE CLAUSE IN FAVOR OF ANY OF ITS SUBCONTRACTORS OR SUPPLIERS OF ANY COMPONENTS OR MATERIALS INCORPORATED INTO GOODS SOLD TO BUYER UNDER THE ORDER.
28. Remedies: The rights and remedies provided Buyer herein will be cumulative of and in addition to any other remedies provided at law or in equity.
29. Severability: If one or more provisions of the Order should be or become invalid or unenforceable, the balance of the agreement shall remain in full force and effect. In this event, the parties shall substitute the invalid or unenforceable provision by a valid one which as closely as possible achieves the economic purpose of the invalid or unenforceable provision.
30. Assignments and Subcontracting: (a) Seller may not, without Buyer's prior written consent, assign or delegate (including without limitation by subcontract) its obligations under the Order, or enter or offer to enter into a transaction that includes a sale of its assets used for the production of the Goods for Buyer or a merger, sale or exchange of stock or other equity interests that would result in a change of control of Seller. In the event of any approved assignment (including without limitation subcontract), sale or delegation authorized by Buyer, Seller retains all responsibility for the Goods, including all related warranties and claims, unless otherwise expressly agreed in writing by Buyer.
- (b) Buyer may assign or delegate (including without limitation by subcontract) its obligations under the Order, or enter or offer to enter into a transaction that includes a sale of its assets used in connection with the purchase of Goods under the Order, or any merger, sale or exchange of stock or other equity interests, in any case to any affiliated entity or other third party without the need for approval of Seller.
31. Service and Replacement Parts: Seller will sell Buyer Goods necessary for Buyer to fulfill its current model service and replacement parts requirements at the prices set forth in the Order. During the 15-year period after Buyer completes current model purchases, Seller will sell Goods to Buyer to fulfill Buyer's past model service and replacement part requirements. Unless otherwise agreed to by Buyer, the prices during the first five years of this period will be the OEM prices in effect at the conclusion of the current model purchases. For the remainder of the period, the prices will be the OEM prices in effect at the conclusion of current model purchases plus agreed adjustments to compensate for reduced volumes. As used in this

paragraph, the term "OEM prices" means the prices of Goods that are used in products that are shipped directly or indirectly to a vehicle assembly plant to support vehicle production.

32. **Governing Law:** The Order will be governed by the laws of the state or country shown in Buyer's address on the Order, and the Convention on Contracts for the International Sale of Goods shall not apply. Buyer and Seller agree irrevocably to submit to the personal jurisdiction of the courts of the above-referenced location and waive all challenges to the personal jurisdiction of such courts for any and all claims arising out of or relating to the subject matter of the Order.
33. **Language; No Implied Waiver:** The parties acknowledge that it is their wish that these Terms of Purchase and all documents relating thereto be in the English language only. If these Terms of Purchase are available in any language other than English, these are for information purposes only, and the parties acknowledge and agree that the English language version shall prevail. The failure of either party at any time to require performance by the other party of any provision of the Order will not affect the right to require performance at any later time, nor will the waiver of either party of a breach of any provision of the Order constitute a waiver of any later breach of the same or other provision of the Order.
34. **Equitable Relief:** Seller acknowledges that a material breach of its obligation to supply Goods in accordance with the Order or to transfer Buyer's Property or other bailed property to Buyer in accordance with the Order, would cause irreparable damage to Buyer, including without limitation damage to Buyer's relationships with its customers, suppliers, labor unions, lenders, and prospective future customers, the exact amount of which would be difficult to ascertain, and that the remedies at law and monetary damages for any such breach would be inadequate. Accordingly, in the event of any action taken or threatened by Seller hereunder that, if taken, would constitute a material breach of Seller's obligations under the Order, Buyer and its successors and assigns are entitled to injunctive or other equitable relief and/or a decree for specific performance, without the posting of any bond or other security, in addition to any other remedies it may have for damages or otherwise. Seller may not take any action or position inconsistent with this acknowledgement, and Buyer will be entitled to recover its costs and expenses (including incidental and consequential damages, court costs, and attorneys' and other professional fees) arising out of or relating to the enforcement of this paragraph.
35. **Entire Agreement; Modifications:** (a) The Order, together with the attachments, exhibits, supplements or other terms of Buyer specifically referenced therein, constitutes the entire agreement between Seller and Buyer with respect to the matters contained in the Order. The Order may only be modified (i) by a written amendment executed by authorized representatives of each party or, (ii) for changes within the scope of paragraph 12, by a purchase order amendment issued by Buyer. (b) Buyer may modify these Terms of Purchase from time to time by posting revised purchase order terms and conditions to the VIN Website (or such other website as may be directed through links available on such website) as specified on the Order prior to the date when any modified terms and conditions become effective. Such revised purchase order terms and conditions shall apply to all purchase order revisions/amendments and new Orders issued on or after the effective date thereof. Seller shall be responsible to review the VIN Website periodically.

PROVISIONS APPLICABLE TO U.S. LAW

Equal Opportunity; Government Contracts: The provisions of the Equal Opportunity Clauses pursuant to Section 202 of Executive Order 11246, as amended; 41 CFR Section 60-1.40; for workers with disabilities as set forth in 41 CFR Sections 741.4 and 60-741.5; for special disabled veterans and veterans of the Vietnam Era as set forth in 41 CFR Section 60-250.4; as well as 29 C.F.R. Part 471, Appendix A to Subpart A. are herein incorporated by reference. Further, if Seller (1) is not otherwise exempt as provided by 41 CFR 60-1.5, (2) has 50 or more employees and, (3) has a contract, subcontract or purchase order amounting to \$50,000 that is necessary to the completion of a covered federal contract or subcontract, Seller is hereby notified of its obligations to file EEO Standard Form 100 and to prepare an affirmative action plan(s) as required under the regulations set forth above.

Fair Labor Standards: Seller warrants that, in making the Goods, it will act at all times in compliance with the Fair Labor Standards Act of 1938, as amended.

PROVISIONS APPLICABLE TO CHINESE LAW

The Parties will use their best efforts to resolve any dispute, controversy or claim arising out of or in connection with this Agreement through friendly consultations between the Parties. But, if no settlement is reached within thirty (30) days from the date one Party notifies the other in writing of its intention to submit the dispute, controversy or claim to arbitration in accordance with this clause, then any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration by the China International Economic and Trade Arbitration Commission ("CIETAC") in accordance with the procedural rules of CIETAC. The place of arbitration will be in Shanghai. The arbitration proceedings will be conducted in English and Chinese.

PROVISIONS APPLICABLE TO JAPANESE, KOREAN, THAILAND AND MALAYSIAN LAW

The Parties will use their best efforts to resolve any dispute, controversy or claim arising out of or in connection with this Agreement through friendly consultations between the Parties. But, if no settlement is reached within thirty (30) days from the date one Party

notifies the other in writing of its intention to submit the dispute, controversy or claim to arbitration in accordance with this clause, then any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration by the Singapore International Arbitration Center according to its rules. The place of arbitration will be in Singapore. The arbitration proceedings will be conducted in English.