

GENERAL PURCHASING CONDITIONS – ALPHA FRANCE & SK

1. SCOPE OF APPLICATION

These GPC, and more globally the Contract, are the result of a contractual negotiation between the Contracting Parties and shall apply to all Purchase Orders issued by the Company to the Supplier. As a result, no terms or conditions (including any contractual terms submitted or asserted by the Supplier pursuant to an offer or pursuant to an Order Confirmation) other than those of the Contract will apply to the Contracting Parties.

2. CONTRACTUAL DOCUMENTS

The Contract consists of the following documents, in a decreasing order of priority:

- 1) the Call-Offs.
- 2) The Purchase Order issued by the Company.
- 3) The Letter of Nomination or Purchase Contract, if applicable.
- 4) These GPC
- 5) The General Conditions of Sale of the Supplier

In the event of conflicts between provisions of the Contract, the priority of the documents shall be determined according to the foregoing sequence.

3. ORDER EXECUTION PROCEDURES

Supplies must be covered by a purchase order, which may have an unlimited term (“Open Order”) or a fixed term (“Closed Order”). The Order may be sent by mail, fax or any electronic means agreed upon. The Supplier accepts the Order by sending the acknowledgement of receipt appended to the purchase order, by mail, fax or any electronic means agreed upon, within eight (8) business days of the Order date. Any Order the receipt of which is not acknowledged but which is performed by the Supplier, in full or in part, will be considered to be accepted.

Any quantities specified in an Open Order are merely indicative and do not constitute a firm commitment on the part of Buyer. Periodic delivery requests that stipulate the quantities of Supplies to be delivered as well as delivery dates will be issued in relation to a given Open Order.

By accepting the Order, the Supplier undertakes to provide and/or produce Supplies according to the Quality System procedures in place at the time of the Order and during performance of the Order which have been communicated to the Supplier.

4. DELIVERIES

Unless otherwise designated in the Purchase Order, delivery of the Contractual Products shall be made “DDP [designated destination]” (as that term is defined in Incoterms 2020 Edition). The place and time of delivery shall be stated in the Purchase Order.

The Contractual Products must be delivered in accordance with the logistics requirement agreed upon in the Contract. In particular, the delivery documents must conform to the requirements specified therein.

The Contractual Products must be delivered in accordance with the logistics requirement agreed upon in the Contract. In particular, the delivery documents must conform to the requirements specified therein. The Supplier shall bear the risk of destruction or loss of the Contracted Products until they are delivered to the Delivery Location

The Supplier shall package the Contractual Products in a reasonable manner commensurate to the mode of transport, such that the Contractual Products are not damaged during transport, the loading processes, or storage at the destination. The Supplier shall package the Contractual Products in conformity with the provisions contained in the Purchase Order.

The packaging and labelling must be in conformity with the applicable law and the provisions contained in the Purchase Order.

If the Contractual Products are not shipped in strict accordance with these terms and conditions, the Company's directions and/or the instructions set out in a Purchase Order or Release, if any, then the Supplier shall pay or reimburse the Company, as the case may be, for any excess costs occasioned thereby.

5. TIMING

The date(s) or deadlines are mentioned in the Contract. The date(s) or deadlines for the performance of the Contractual Services and / or delivery of the Contractual Products are of the essence to the Company. The Supplier is aware that substantial damage can arise, if the Contractual Products and/or Contractual Services are not delivered or performed within these date(s) or deadlines.

Performance or delivery of the Contractual Products and/or Contractual Services in advance of the above dates and deadlines shall require the prior written approval of the Company.

The Supplier has to maintain reasonable backup processes and emergency plans ready for all Open Orders, in order to ensure the rendering of Contractual Products and/or Contractual Services during the entire term of the Open Order. The backup processes and emergency plans must, at a minimum, conform to customary automotive industry standards.

6. PRODUCTS CONFORMITY

Acceptance of the Product shall occur once the Company has verified that the Product is in strict compliance with the Contract.

With regard to Products, the Company shall use its best efforts to inform the Supplier of any apparent defects as soon as possible from the time at which such defects should be detectable in the ordinary course of operations.

Services shall be deemed accepted by the Company only upon Company's execution and delivery of a completion certificate or other written evidence of compliance of Supplier's performance under the Contract.

The Company shall have no duty to inspect the Product at the time of delivery of the Products or completion of the services. Company's failure to assert a claim or reserve at this time shall not be considered as an acceptance of the Product and shall not, under any condition, be deemed as a waiver by the Company of its right to assert any claim in the future.

Payment for nonconforming Product shall not constitute an acceptance of the Product, nor shall payment limit or impair the Company's right to assert any legal or equitable remedy at any time. Payment shall also not relieve the Supplier of any responsibility for undisclosed, hidden or otherwise undetected, defects.

Notwithstanding Company's acceptance of the Product, the Company reserves the right to claim the Product is non-conforming if the Company later discovers a defect or other non-conformity in the Product.

The acceptance by the Company of any study, design, drawing, material, process, specifications or Initial Sample (IS) does not release the Supplier from liability for defect, damage or loss, and does not imply acceptance of the Product delivered and/or to be delivered.

7. PRODUCTS NON-CONFORMING

The Company reserves the right to reject the Supply in any of the following events:

- Non-compliance or nonconformity of the Supplier with the Contract.
- Incomplete or excess quantities.
- Quality issues, or
- Failure to observe delivery lead times or completion deadlines.

Upon rejection of the Supply, the Company may exercise any or all of the following remedies, without prejudice to any other rights at law or under the Contract:

- Request from the Supplier timely replacement of the nonconforming Products with conforming Products.
- Procure Products from a third party of the Company's choice.
- Suspend any payment due to the Supplier.
- Request a refund of any partial or full payments previously made for the Product, as the case may be, and
- Charge de Supplier for any costs or expenses incurred by the Company as a result of the nonconformity (including, without limitation costs of inspection, sorting, testing, storage, or rework) and a fee for the administrative costs associated with nonconformity.

The Company will hold nonconforming Products for disposition in accordance with Supplier's cost and risk. Supplier's failure to provide written instructions, within four (4) business days after notice of nonconformity, or such shorter period as may be reasonable under the circumstances, shall entitle the Company, at Company's option, to charge the Supplier for storage and handling, or to dispose of the goods without liability to the Supplier (including by destroying them or returning them to the Supplier).

If the Product is delivered late or on the event of nonconforming Product, the administrative fees set out in the Purchase Contract shall immediately, as of rights, and without any notice, become due and payable to the Company.

8. OWNERSHIP TRANSFER

Ownership of the Contractual Product shall pass to the Company upon delivery of the Contractual Products except if otherwise agreed by the Parties in the Contract.

If the Supplier holds the Contractual Product in custody for the Company following transfer of ownership, the Supplier shall store the Contractual Products as they are manufactured separately and label them clearly as the property of the Company. The Supplier shall be required to use the Contractual Products solely for the purpose of rendering additional Contractual Products and/or Contractual Services to the Company. Other uses shall not be authorized.

9. INVOICING AND PAYMENT TERMS

The Company shall pay the Price set forth in the Contract.

Prices are net of applicable taxes and customs duties. Duties and taxes shall be added by the Supplier to its invoices in accordance with all applicable laws.

All Invoices:

- must relate to a specific Purchase Order (the number of the Purchase Order has to be inserted).
- must be issued at the earliest at the date when the Contractual Products and/or Contractual Services have been delivered or performed.
- must contain all information that is necessary in order to identify and check the Contractual Products and/or Contractual Services (including the Purchase Order number).
- must contain all information related to the payment's terms, and
- must be sent in duplicate to the address named in the Purchase Order and are not attached to documents delivered with the Contractual Products. The Company shall be entitled to reject, return and not pay Invoices that do not conform to the foregoing requirements.

Subject to any legal provision in force, Price shall be due and payable and paid by the Company within sixty (60) days following the date on which the Invoice has been issued (the Due Date).

In the event of late payment, interest shall be due starting from the day immediately following the Due Date specified on the Invoice, without any reminder being necessary. Unless otherwise agreed

by the Contracting Parties, the interest rate for penalties shall be equal to three (3) times the legal interest rate applicable in France. This amount shall be calculated on the overdue payments, without capitalization, per calendar day, by application pro-rata of the above-mentioned rate. In addition, the Company is legally bound to pay to the Supplier a lump sum of forty euros (40€), as recovery charge.

In the event the Supplier is a Mandated Supplier, and in the event that the Customer fails to pay the Company for any Contractual Products and/or Contractual Services delivered and/or performed by the Supplier as a Mandated Supplier, then the Company shall have no obligation to pay the Supplier for such Contractual Products and/or Contractual Services until such timeframe as set forth in (ii) above, and the Mandated Supplier shall, upon Company's request, cooperate to assist Company in collecting any amounts due and owing from the Customer.

10. STATUTES, LAWS, REGULATIONS

The Supplier shall:

- comply with all applicable statutes and regulations, including those in the areas of labour, health, safety, and the environment (if applicable, the provisions of the French Labour Code relating to hygiene and safety applicable to "work carried out within the premises by an external company" or "work at height").
- to the extent that the Supplier has to carry out works within the premises of the Company, comply with all of the internal instructions and the safety, health, and environmental provisions in effect at the Company's premises and, if necessary, obtain all necessary permits.
- comply with the provisions of the Convention of the United Nations on the Rights of the Child dated November 20th, 1989, which prohibit child labour, and
- not use forced labour in any way as in Article 1 of the International Labour Organization Convention on the Abolition of Forced Labour dated June 25th, 1957.

The Supplier acknowledge that the duties listed above constitute material contractual obligations.

11. AUDIT

The Company shall be entitled to conduct Audits on the Supplier's premises at any time during Supplier's normal working hours upon reasonable advance notification. Within the framework of the Audits, the Company shall be permitted, among other things, to check the Personal Data protection measures and Contractual Products before they are delivered.

In general, advance notification shall be deemed to be reasonable, if it is made five (5) calendar days prior to the performance of the Audit. The Audits should not unnecessarily impede the Supplier's operational processes.

The Supplier declares its willingness to comprehensively cooperate with and assist the Auditor. In particular, the Supplier shall grant the Auditor access to the production facilities and other premises and provide the requested documents and information. The Auditor shall also be entitled to take Contractual Products with him for documentation purposes in order to control the compliance of the samples with the quality requirements of the Contract.

If the Audit reveals that the Supplier is not in compliance with the agreed upon quality standards or Personal Data security requirements, the Supplier shall promptly take all necessary and reasonable measures in order to achieve said quality standards or requirements. In particular, the Supplier shall implement the measures agreed upon during the Audit within the agreed upon time periods.

By way of clarification: any rights of the Company, particularly warranty and damage claims or right to terminate the Contract, shall not be affected by the conduct of an Audit or measures taken during or as a consequence of an Audit. In particular, the Supplier shall be required to independently review all measures and conduct them autonomously. The Company shall assist the Supplier within the framework of Audits solely with respect to compliance with the Supplier contractual duties. If the Supplier desires additional information or assistance, an express consulting contract must be concluded with the Company.

12. CONFIDENTIALITY

The Contracting Parties undertake to treat in a confidential manner any information of any nature whatsoever, in whatever form (including oral, written, magnetic or electronic form) in particular but not limited to any commercial and financial documents, technical details, data, Specifications, the Results, software, business plans, designs, studies, recommendations, Personal Data, Know-How and other Intellectual and/or Industrial Property Rights, (herein after the Confidential Information), of which they become aware as a result of the Contract. Confidential Information shall not encompass information that:

- was already in the public domain, or
- had become accessible to the public other than through the Contracting Parties having failed in their contractual obligations, or
- has been legally received from a third party who was completely at liberty to disclose, or – has to be disclosed by a statutory provision, a judgement or any other decision from a regulatory authority.

Each of the Contracting Parties undertake:

- not to use the Confidential Information for any other purpose than the performance of the Contract.
- not to disclose or reveal in whole or in part, directly or indirectly, to any third party the Confidential Information, unless such disclosure is necessary for the performance of the Contract and has been approved by the other Party. In such a case, the Contracting Party which discloses Confidential Information shall ensure that such third party accept to be bound by the same terms and obligations as set forth herein, and
- not to copy or reproduce in whole or in part the Confidential Information except when necessary for the performance of the Contract

Drawings, models, templates, samples, and similar objects may not be provided or made available to unauthorized third parties. The reproduction of such objects shall only be permissible within the framework of operational needs and provisions of copyright law.

Notwithstanding if the Contracting Parties have concluded a separate confidentiality agreement, the provisions of the confidentiality agreement shall have priority over this Section 14.

13. TERMINATION

In the event of non-performance of its obligations by one party, this contract will be automatically terminated in favor of the other party without prejudice to any damages that may be claimed from the defaulting party. The resolution will take effect 8 days after the sending of an unsuccessful formal notice.

Each of the parties can also terminate the Contract at any time subject to the respect of a reasonable notice fixed by the good practices of the profession.

14. FORCE MAJEURE

In case of Force Majeure, the Contracting Party which is prevented to perform its obligations as per the present Contract shall not be held liable toward the other Contracting Party.

Each Contracting Party shall promptly inform the other Contracting Party of the existence of Force Majeure and take the necessary measures in order to keep the negative effect to a minimum.

Supplier, at its sole cost and expense, shall use best efforts to mitigate any adverse effects or costs to Company due to any actual or potential delay, including (i) the implementation of a production contingency plan; (ii) expedited freight and shipping; (iii) sourcing through alternative locations/jurisdictions; and (iv) upon Company's express written authorization, increasing Supplier's inventory of finished goods or Contractual Products to a level sufficient to sustain deliveries during such delay.

During any delay or failure of the Supplier to perform due to Force Majeure, the Company shall have the right to take all necessary measures to secure the continuous delivery of the Contractual Products and/or Contractual Services, including but not limited to, manufacturing or performing such Contractual Products and/or Contractual Services itself or purchasing the Contractual Products and/or Contractual Services from another source.

For the avoidance of any doubt, the Supplier shall not be able to invoke delays on the part of its own suppliers or subcontractors unless the cause for these delays may be considered an event of Force Majeure under this clause.

Company may delay acceptance of delivery of the Contractual Products and/or performance of the Contractual Services by reason of an excusable delay. In such case, Supplier shall hold the Contractual Products or delay performance of the Contractual Services, at Company's direction and at no cost to Company, until the cause of the excusable delay has been removed.

Without limiting Supplier's obligations herein, in the event of any supply allocation, including as a result of a Force Majeure Event, Supplier shall give preference to the Company for all of the Contractual Products and dedication of persons for the delivery of the Contractual Services ordered under any Purchase Order.

15. JURISDICTION – APPLICABLE LAW ATTRIBUTION DE COMPETENCE

The Order is governed by French law. The 1980 Vienna Convention on the International Sale of Goods is expressly excluded.

The Commercial Court of Laval (Mayenne) will have sole jurisdiction over any disputes, even in the event of third-party proceedings or where there are multiple defendants.

16. GENERAL PROVISIONS

Dates and Working Days

Unless otherwise regulated,

- all dates shall be subject to the Gregorian calendar.
- working days shall be all weekdays with the exception of Saturdays, Sundays and public holidays at the registered seat of the Company; and
- for all physical quantities, the International Systems of Units (SI) of the International Bureau of Weights and Measures shall apply.

Proof of origin

The Supplier shall provide with each invoice a certificate of origin for the Contractual Product or as applicable, the Supplier has to provide by January 15th of each year his long-term-supplier's declaration for Contractual Products having preferential origin as per Council Regulation (EU) 2015/2447 and the applicable addenda to the Company on an unsolicited basis by not later than January 15 of each year. The declaration must be valid for the respective calendar year (i.e., from January 01 – December 31 of the year). If there are any changes, the Supplier shall promptly notify the Company and send a new long-term supplier declaration on an unsolicited basis.

Where applicable, if the Supplier does not fulfil the aforementioned obligation within the required time limit, or if he makes contradictory statements regarding the preferential treatment of Contractual Products, the Supplier shall hold harmless and indemnify the Company against all financial consequences due to Supplier's failure to comply with the above obligation.