



**TPV AUTOMOTIVE`s General Terms and
Conditions of Purchase (GTCP)**

1000403

Stran 1 od 22

Release	Date of release	Changes
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TPV AUTOMOTIVE`S GENERAL TERMS AND CONDITIONS OF PURCHASE (GTCP)



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Definitions:

TPV Automotive	The company TPV Automotive d.o.o., which has concluded a Delivery Contract with the Supplier. Hereinafter referred to as the Buyer.
Goods	Products, parts, components, raw materials and associated services that are subject to the Delivery Contract.
Supplier	The party receiving an Order and/or the party confirming the Order.
Incoterms	A set of pre-defined international rules regarding the transportation of goods, which determine the contractual clauses that can be incorporated by the contracting parties into the Order or the Delivery Contract. Through the use of a specific clause, the parties shall determine their mutual obligations in the process of transporting goods, which are the subject of the Delivery Contract.
Industrial property rights	All patents, rights to utility models and designs, trademarks, copyrights and other rights to intellectual property.
Order	The Buyer's quotation to the Supplier, in written or electronic form, regarding the terms and conditions for the delivery of Goods or the provision of services as well as any changes thereto. This also includes any outstanding orders transmitted by the Buyer.
Buyer's Customer	Any legal entity that purchases goods from the Buyer.
Equipment	All tooling (special and standard tools) and production equipment as well as any other assets that are required to produce the Goods including, but not limited to, know-how, technology and the related documentation that is required to produce the Goods.
Request for delivery (release)	Declaration by the Buyer to the Supplier in which the Buyer orders a certain volume of Goods to be delivered by the Supplier, specifying the delivery date, the time of day if applicable, and the place of delivery.
Delivery Contract	Any Order accepted by the Supplier or any contract otherwise concluded regarding the delivery of Goods or the provision of services.
Defective Goods	Goods which do not comply with the Buyer's requirements.
Specifications	Drawings, 3D models, specifications, standards and other requirements that define the intended qualities of the Goods and legal requirements.
Production Materials	Goods that are used in a product for a vehicle or another product of the Buyer.
Information	All construction, assembly, components and installation drawings; testing protocols, test logs and results, documents, data and other Information relating to Goods and Equipment and all technical and business-related knowledge arising from Specifications belonging to the Buyer.



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Buyer's Equipment	All of the equipment/tools that belong to the Buyer or the Buyer's customers, in their current form at the time when the Buyer requests the Tools from the Supplier. In particular, this includes all components/accessories, all repairs and replacements, materials, etc.
Delivery Date	Precisely defined time for delivery of Goods that is stated in the Order/Delivery Contract or the Request for Delivery or otherwise agreed upon between the parties.

1 General Provision

1.1 The GTCP shall serve as a legal basis for any Goods purchased by the Buyer from the Supplier. The GTCP supplement any Order or Delivery Contract. In the event of any inconsistency between the GTCP and the Order/Delivery Contract, the relevant provisions of the Order or Delivery Contract shall prevail. The GTCP are available at www.tpv-automotive.si.

1.2 The contractual provisions are exclusively subject to the Order/Delivery Contract and these GTCP. They replace any and all prior agreements concluded between the parties. Any changes and/or additions to the Order, Delivery Contract and these GTCP require a written or electronic confirmation in order to be valid. The same also applies to any changes to this clause itself.

1.3 The Order/Delivery Contract and the GTCP shall be considered accepted by the Supplier, in full and without changes, if the Supplier accepts the Order in writing or via electronic data communications, or begins to provide the deliveries. If the Supplier does not confirm the Order in writing within five (5) days after its placement nor does he cancel it in writing, the Order as well as the GTCP shall be deemed to have been confirmed and accepted. Only these GTCP form an integral part of the Delivery Contract. Any deviating terms and conditions shall only be binding upon written confirmation by the Buyer. The Buyer's unconditional acceptance of or payment for the Goods shall not constitute the conclusive acceptance of any deviating terms and conditions that are not in accordance with GTCP.

1.4 An Order/Delivery Contract can be withdrawn by the Buyer at any time before acceptance, without any liability toward the Supplier. An Order shall not constitute an acceptance of the Supplier's offer/quotation. The contents of the Supplier's offer shall only become part of the Order/Delivery Contract if and to the extent that they are referenced by the Buyer in the Order and do not conflict with the other contents of the Buyer's Order or the Delivery Contract and these GTCP.

1.5 The Supplier guarantees that all his sub-suppliers are obligated to adhere to the provisions in these GTCP.



2 Quantities and Delivery Dates

2.1 The section in GTCP titled "Quantities and Delivery Dates" is complemented by the "TPV Automotive`s Supplier Logistics Manual" (hereinafter referred to as "PLM"). In the event of any inconsistency between the GTCP and PLM, the relevant provision in PLM shall prevail. The PLM document is available at www.tpv-automotive.si.

2.2 Quantities and delivery dates shall be specified exclusively in the Orders/Delivery Contract and/or the Requests for Delivery (Releases). The Supplier must ensure the necessary capacity in order to fulfil the quantities, including quantity forecasts from the Delivery Contract and/or the Requests for Delivery (Releases). A Delivery Contract and Request for Delivery (Release) is binding for the Supplier as it is agreed between Buyer and Supplier. This shall not apply if the Supplier refuses the quantities in writing within one (1) business day after receipt due to unreasonable quantities or delivery deadlines. The refusal of quantities and Delivery Dates (deadlines) must include a notice from the Supplier stating the earliest possible alternate Delivery Date for the Buyer.

2.3 Compliance with the Delivery Date is essential for the fulfilment of the Order, Delivery Contract and/or Request for Delivery. The Supplier shall give the Buyer immediate written notice of any potential obstacle that might cause a delay. The Buyer is not obligated to accept Goods that are delivered before the agreed Delivery Date. The Buyer is entitled to return any excess deliveries at the Supplier`s expense. The Supplier shall bear the risk of loss or damage to any Goods delivered prior to the Delivery Date.

2.4 The Supplier shall organize his production in a manner that enables him quick reaction time to events such as a stoppage/suspension, reduction or an increase in the production of Goods that are incorporated (installed) in the end products of the Buyer's Customer. Each party shall bear its own costs resulting from these events. If the Buyer's Customer reduce the quantity of Goods to be incorporated into the end products of the Buyer's Customer for which the Goods are needed, the Supplier agrees to provide products at the price agreed in the Order/Delivery Contract. If the Buyer's Customer modifies or suspends the production of Goods intended for incorporation into end products of the Buyer's Customer for which the Goods are needed, the Buyer is entitled to:

(a) either adjust, at no additional cost, the ordered quantity of the goods depending on changes in the amount of production of Goods which are incorporated into the end products of the Buyer's Customer,

(b) or terminate, at no additional cost, the Delivery Contract in the event of a suspended production of Goods intended for incorporation into end products of the Buyer's Customer.

2.5 In the event of an agreement regarding the Supplier's emergency stocks, these have to be readily available and regularly replenished. The Buyer reserves the right to inspect the Supplier's and his sub-supplier's emergency stocks.



2.6 The Buyer reserves the right to make changes to the Goods, Specifications and logistics processes (such as packaging and shipping) at any time, or to request such changes from the Supplier. The Supplier shall immediately – in normal cases within five (5) business days of receiving the change request – outline the effects of such a change in terms of the price and delivery date by submitting a detailed cost breakdown and any other necessary documentation. If such a change results in a revision of the price or delivery date, the Buyer and Supplier shall agree on an appropriate adjustment in the Delivery Contract.

2.7 The Supplier undertakes not to replace materials or change the manufacturing location, manufacturing process or Specification of the Goods without the prior written consent of the Buyer.

2.8 The amount of the costs arising from non-compliance with the quantities and delivery schedules is specified in the "TPVAutomotive's Claims Price List", which is available at www.tpv-automotive.si.

3 Packaging and Shipping

3.1 The section in GTCP titled "Packaging and shipping" is complemented by the "TPV Automotive`s Supplier Logistics Manual" (hereinafter referred to as "PLM"). In the event of any inconsistency between the GTCP and PLM, the relevant provision in PLM shall prevail. The PLM document is available at www.tpv-automotive.si.

3.2 The packing, packaging, labelling and the dispatch of Goods must be in compliance with the Buyer's specifications and any statutory requirements and standards of the automotive industry and, unless otherwise stated by the Buyer regarding the packaging, packing, labelling and dispatch, the Supplier shall package, label and dispatch the Goods according to established trading practices at the lowest possible cost. The supplier is obligated to prepare and present a proposal on packing and labelling, which is confirmed by the Buyer before deliveries commence. The liability for damaged Goods arising from inadequate or incorrect packing shall be borne entirely by the Supplier.

3.3 Each delivery must include a delivery note. Labelling of Goods and the packing rules are specified in the PLM.

3.4 Packaging and packaging materials may not contain any hazardous materials, particularly radioactive materials. The Supplier has to make sure that the packaging and the packaging material is in compliance with the EU Directive 1994/62/EC and all its associated annexes. Packaging must be recyclable unless a returnable packaging agreement is in place between the Buyer and the Supplier. All the chemicals and oils must have all the required information printed out on each packaging unit as prescribed by law. All applicable transport laws and regulations must be observed.

3.5 The Supplier shall immediately procure all of the complete documentation and other information required for customs procedures, proof of origin and any other information relating to the origin of the Goods in accordance with law. Where necessary for customs purposes, the Supplier shall issue a trade invoice in duplicate. For free-of-charge deliveries, the Supplier shall issue a pro forma invoice



and declare the real value of the Goods on the invoice while marking it "for customs purposes only, otherwise free of charge". The invoice must state the reason for the free-of-charge delivery (e.g. free shipping of samples). The Supplier shall pass on the information regarding customs tariffs for the delivered Goods. This information shall be specified on the invoice, delivery note or shipping note.

3.6 The amount of the costs arising from inadequate packing, labelling and dispatching is specified in the "TPV Automotive's Claims Price List", which is available at www.tpv-automotive.si.

4 Prices, Payment and Delivery Terms and Conditions

4.1 The prices, place of delivery and payment terms shall be established in the Delivery Contract or the Order. All deliveries shall be made under the term DAP (Incoterms) to the Buyer's warehouse, unless otherwise specified in the Order or the Delivery Contract.

4.2 The prices set out in the Order/Delivery Contract are fixed prices and represent the total price for manufacturing and delivering the Goods. The Supplier shall not be entitled to any adjustments in prices and/or compensation for additional costs without prior written consent from the Buyer.

4.3 If the Supplier is delayed in issuing his invoice or delivering the Goods or if he has delivered Defective Goods, the Buyer shall be entitled to withhold payment of the purchase price until the Supplier has fulfilled his contractual obligations.

4.4 Upon request of the Buyer, the Supplier shall disclose all of the costs to the Buyer by providing the Buyer with a detailed cost breakdown. The Supplier shall conduct a comprehensive value and cost analysis of the Goods using the Buyer's cost breakdown form.

4.5 The Supplier undertakes to use his best endeavour to improve his own and his subsupplier's Goods and processes and focus his efforts to reduce costs in this respect and thus acknowledge the annual productivity to the Buyer.

5 Quality

5.1 The section in GTCP titled "Quality" is complemented by the "TPV Automotive`s Supplier Quality Manual" (hereinafter referred to as "PQM"). In the event of any inconsistency between the GTCP and PQM, the relevant provision in PQM shall prevail. The PQM document is available at www.tpv-automotive.si.

5.2 The Supplier is responsible for the quality of the delivered Goods. If requested by the Buyer, the Supplier shall demonstrate the efficiency of the quality management system by submitting the valid ISO 9001 certificate. The development of the quality management system shall have to prove by taking into account the requirements set out in the latest valid edition of the IATF standard.



5.3 When it comes to the development and production of Goods, the Supplier warrants that the Goods comply with the Specifications. The Supplier shall fulfil all of the requirements in order to conclude the materials approval process of the Buyer and the Buyer's customers in a timely manner. At the request of the Buyer, the Supplier shall provide the Buyer with a sample of the Goods before the start of regular delivery. The sample must correspond fully with the planned serial production. The Supplier shall include an inspection report and if necessary all the test results as required by regulations in a suitable manner and form. All the provisions, including on the keeping and archiving of documentation, are specified in PQM.

5.4 The Supplier shall assume full responsibility for costs arising from deviations from the required standards of quality whereby the fault lies with the Supplier. The costs of the quality-related claim shall be calculated based on the "TPV Automotive's Claims Price List" available at www.tpv-automotive.si.

5.5 Before accepting the Order, the Supplier shall analyse and check all the Specifications of the Goods. By confirming the Order, the Supplier acknowledges that the Specifications are adequate and suitable for the fulfilment of the Order/Delivery Contract.

5.6 The Supplier is obligated to provide the Buyer, if he should so request, access to all records related to testing and quality assurance. The Supplier undertakes to provide the Supplier with expert support in the case of supplying goods which require additional security checks by independent accredited institutions.

5.7 The Buyer shall be entitled to inspect and audit the Supplier's and/or sub-supplier's Goods manufacturing process on site after prior notice. The Supplier shall always ensure complete cooperation and assistance on the part of his specialist/technical staff.

5.8 During his incoming Goods inspection, the Buyer shall only inspect the Goods in terms of identity, quantity, transport damages and other obvious damage. Any further inspections by the Buyer or the Buyer's customers shall not constitute an acknowledgement of the contractual conformity of the Goods or a waiver of proper contractual fulfilment, and shall not release the Supplier from liability. Payment for the Goods shall not constitute a declaration of acceptance of the Goods as being contractually compliant.

5.9 Approval and release of development work by the Buyer shall neither exclude nor limit warranty and/or the Supplier's liability for the Goods.

6 Replacement Parts

6.1 The section in GTCP titled "Replacement Parts" is complemented by the PLM. In the event of any inconsistency between the GTCP and PLM, the relevant provision in PLM shall prevail. The PLM document is available at www.tpv-automotive.si.

6.2 The Supplier shall meet the Buyer's replacement parts requirements for Production Materials during serial production and for another fifteen (15) years thereafter. The price of replacement parts



during the period of series delivery must be equal to the price in the series. Pricing for replacement supplies during the 15-year period shall be the current delivery price at the end of the serial delivery in addition to any expenses which shall be mutually agreed upon between the Parties.

7 Warranty

7.1 The Supplier warrants that the delivered Goods comply with the Specifications, are of merchantable quality and are otherwise free from defects. If and to the extent that the Supplier is responsible for the design and construction, he shall also warrant the fault-free design, construction and suitability of the delivered Goods for the specific purposes for which they are purchased.

7.2 The Supplier shall take all the necessary steps to immediately inform the Buyer of any actual or alleged Goods-related deficiencies or material defects he is aware of, in order to limit any potential adverse effects that may subsequently arise.

7.3 If the Goods are defective, the Buyer may request the Supplier to repair the Goods at the Supplier's expense and risk. If the Goods are already in the production process of the Buyer or the Buyer's customer, and if the Supplier is unable to repair or replace the Goods on time, then the Buyer may replace or repair the Goods himself or have them replaced or reworked by a third party. All costs and risk shall be borne by the Supplier. If the Goods have already been installed in a product and delivered to the Buyer's customers, then the Supplier guarantees a replacement of Goods and compensation for any expenses incurred thereby.

7.4 The Supplier is obligated to compensate the Buyer for all costs that the Buyer incurs in connection with the supply, sale and delivery of Defective Goods.

7.5 The Supplier is obliged at all times to guarantee their employees are highly skilled and competent.

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

8 Recalls

8.1. The Supplier shall be liable and responsible for any measures required to prevent product hazards for end users and recalls.

9 Liability and Insurance

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

9.2 The Supplier shall obtain appropriate global insurance coverage for its obligations under the Delivery



Contract (particularly public liability, product liability and recall insurance), as is customary for the automotive industry, from a reputable insurer, and shall maintain this insurance coverage for the duration of the Delivery Contract. Upon request, the Supplier shall provide the Buyer with certification of the scope of coverage from the insurer.

9.3 If the Supplier's services also include work at the Buyer's operating premises or the premises of one of the Buyer's customers, the Supplier shall take all necessary precautionary measures while performing this work to avoid personal injuries and property damage in accordance with "Instructions on Providing Common Health and Safety at Work Measures in Working Areas" available at www.tpv-automotive.si. The Supplier is obligated to fill out the "Appendix to the Instructions on Providing Common Health and Safety at Work Measures in Working Areas". The Supplier shall compensate the Buyer for all costs and damages caused by the Supplier's work at the operating premises. This shall not apply if the Supplier can demonstrate that he is not at fault.

9.4 The Supplier shall be liable for his representatives and subcontractors to the same extent as for his own actions.

10 Termination of the Delivery Contract in Exchange for Compensation Payment

10.1 The Buyer may terminate the Order/Delivery Contract at any time without stating a reason for doing so by giving a written notice with an appropriate notice period to the Supplier.

10.2 The Buyer is not obligated to pay for Goods, unfinished products or materials that exceed the ordered volume ordered. The same applies to Goods, unfinished products or materials (inputs) that are in the Supplier's standard stock and can be sold elsewhere.

10.3 Payments by the Buyer shall not exceed the maximum amount that the Buyer would have needed to pay if he had not terminated the Order/Delivery Contract.

11 Termination for Cause

11.1 In addition to the statutory grounds for termination, the Buyer can also terminate the Delivery Contract for other reasons, in full or in part, in writing without the termination giving rise to any liability or compensation payment claims. This includes, but is not limited to, the following cases:

(a) the Supplier commits a fundamental breach of the Delivery Contract and does not fully rectify this violation within a period of five (5) working days.

(b) The Supplier becomes insolvent. A request is submitted to initiate insolvency, bankruptcy or liquidation proceedings with regard to his assets; an insolvency administrator or trustee is appointed; or a liquidation settlement takes place.

(c) The Supplier's ownership or shareholder structure is modified, as a result of which the Buyer cannot reasonably be expected to continue operations in accordance with the Delivery Contract. This includes,



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

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

The complete Delivery Contract shall be deemed as delayed until the Buyer has had all the Goods delivered.

12 The Buyer's Equipment

12.1 The Buyer's Equipment is provided to the Supplier as bailed property, and shall remain the property of the Buyer or the Buyer's customer, unless otherwise agreed upon.

12.2 The Supplier is only allowed to use the Buyer's Equipment for the production of Goods under the Delivery Contract with the Buyer. The Supplier may not use the Buyer's Equipment for other purposes, or allow third parties to use them, without prior written consent from the Buyer.

12.3 Buyer's Equipment must be clearly labelled as the property of the Buyer or the Buyer's customer. It must be stored safely in a separate place apart from the Supplier's property. The Supplier shall maintain the Equipment in good condition at its own expense, and shall replace it if necessary. The Supplier shall bear the risk for the Buyer's Equipment as long as they are in the custody or under the control of the Supplier and insure it to the replacement value. The Supplier shall treat the Buyer's Equipment with care and caution. The Supplier indemnifies the Buyer against all damages arising from the installation, use, storage or repair of the Buyer's Equipment. The Buyer or its customer may enter the Supplier's operating premises at any time during normal business hours in order to inspect the Buyer's Equipment and documentation regarding the Buyer's Equipment. At the Buyer's request, the Supplier shall perform a physical inventory.

12.4 The Buyer may request the return of the Buyer's Equipment at any time, including after the termination of the Delivery Contract. The same applies if the Supplier is temporarily or permanently unable to continue to supply and deliver the Goods. If the Buyer requests the return of the Buyer's Equipment, the Supplier shall immediately make the Buyer's Equipment available for the Buyer to collect. At the Buyer's request, the Supplier shall send the Buyer's Equipment to a location specified by the Buyer in exchange for appropriate reimbursement of costs. The Supplier shall not be entitled to any right of retention for the Buyer's Equipment.

13 Authorised Economic Operator (AEO)

13.1 TPV Automotive d.o.o. is the holder of an AEO license (authorised economic operator). The Supplier undertakes to provide the necessary security conditions related to compliance with customs and tax legislation, systems for keeping business and transport records that enable appropriate customs controls, solvency, security and safety standards, and appropriate training and professional qualifications.



14 Origin of Goods

14.1 The Supplier warrants that the delivered goods have originating status in accordance with the legislation governing preferential origin (on the basis of unilaterally adopted preferential tariff measures, the Generalised System of Preferences (GSP), other unilaterally adopted preferential tariff measures and the legislation governing origins). In the case of a different origin, the Supplier shall inform the Buyer about it and seek his approval on the supply of goods of different origin.

14.2 Should the Buyer so require, the Supplier undertakes to immediately issue proof of preferential origin of the Goods or, as the case may be, credible evidence considered to be necessary by the Buyer.

14.3 A supplier within the European Union:

- a) shall submit a separate declaration for each consignment of goods or
- b) long-term declaration, in accordance with the current rules or the legislation governing preferential origin. The original declaration shall be sent by post or by e-mail; the text in the statement shall be consistent with the legislation governing preferential origin of Goods. In the case of new Goods, the supplier shall prepare an additional declaration. The Supplier shall inform the Buyer as soon as the long-term Supplier's declaration for the delivered Goods is no longer valid.

14.4 A supplier outside the European Union must ensure an appropriate document (EUR1, EUR2, EUR-MED, Form A, invoice declaration, invoice declaration EUR-MED or any document in compliance with the legislation governing the origin of goods) for each consignment.

The Supplier is responsible for any damages suffered by the Buyer as a result of incorrect, delayed or undue submission of proof of preferential origin. If the Supplier issues an inadequate document, he shall therefore be charged by the Buyer for all costs.

If necessary, the Supplier shall have to prove his information on the origin of Goods in accordance with applicable law.

15 Compliance with Laws and Regulations, and Rules on Safety, Environmental Protection and Hazardous Substances

15.1. In the course of fulfilling the Delivery Contract, the Supplier shall comply with all applicable laws, regulations, ordinances and industry standards, including those that are not explicitly mentioned in these GTCP. The Goods must comply with the applicable product safety, environmental and workplace regulations and provisions. The Supplier undertakes to promptly provide, in writing, any Information regarding the Goods requested by the Buyer so that the Buyer may comply in a timely manner with reporting requirements under applicable law.

15.2 The Supplier must be familiar with the policy of the Buyer and be involved in achieving the objectives and implementing the Buyer's programmes of health and safety at work and improving environmental management headed by the Buyer. The policy is available at www.tpv-automotive.si.



15.3 During his operations, the Supplier shall also take into account the requirements of the standards for environmental management system ISO 14001 and health and safety at work ISO 45001.

15.4 In order to meet the environmental requirements and safety at work, the Buyer recommends that the suppliers get certified according to ISO 14001, ISO 45001, EMAS or other relevant standards. An Uncertified Supplier must nevertheless carry out activities to preserve the environment on the basis of his own programme and, upon request, make them available to the Buyer. Prior to commencement of work, a supplier is obligated to get closely acquainted with "Instructions on Providing Common Health and Safety at Work Measures in Working Areas", to fill out "Appendix to the Instructions on Providing Common Health and Safety at Work Measures in Working Areas" and to attach risk assessment for external contractors.

15.5 The Supplier is responsible for the consistent implementation of Regulation No 1907/2006 (REACH). If necessary, the Supplier shall perform the registration, authorization or notification of chemical substances in the Goods in accordance with the aforesaid regulation. The Supplier undertakes to regularly monitor the substances included on the SVHC list and to immediately inform the Buyer in writing about the content of these substances in the Goods that are supplied to him. As long as the Buyer does not receive any notification from the Supplier on the content of these substances, it shall be assumed that the delivered Goods do not contain any SVHC substances.

15.6 The Supplier undertakes to deliver only Goods and install into the Buyer's Goods only products that are in accordance with the European Directive 2000/53/EC and 2011/65/EC and all its associated annexes.

15.7 If the Supplier delivers goods that are used in the food industry, they have to comply with Regulation (EC) No 2023/2006 and Regulation (EC) No 1935/2004.

15.8 Prior to the first delivery, the Supplier shall provide the data entry of the chemical composition of the Goods in the IMDS database, which is available on the homepage <http://www.mdssystem.com/>, and send it to the Buyer through the system on ID number 11962. Any changes in respect of the Goods and their composition shall be updated regularly and the Buyer shall be so notified through the IMDS database.

15.9 The Supplier shall regularly monitor all the Goods supplied to the Buyer with regard to "conflict goods" in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and inform the Buyer accordingly. If the Buyer does not receive any notice, it shall be assumed that the minerals from which raw materials are obtained for the Buyer's Goods do not come from areas that are defined as areas of conflict.

15.10 The Supplier shall comply with the applicable hazardous materials regulations. In particular, the Supplier shall ensure that activities involving hazardous Goods and substances are performed only by personnel who have been specifically trained for such activities, and that only those resources, containers and equipment are used that have been approved for transporting such hazardous Goods



and substances on public roads. The Supplier shall provide the Buyer with an overview of all hazardous

Goods and substances that are used in the course of fulfilling the Order and Delivery Contract. The Supplier shall provide the Buyer with the applicable material safety data sheets for all hazardous goods as well as any other operating manuals required for working safely with hazardous goods.

16 Non-Assignment and Non-Transfer

16.1 The Supplier shall not be entitled to assign claims from the Delivery Contract or to transfer his obligations from the Delivery Contract to third parties without prior written consent from the Buyer.

17 Force Majeure

17.1 Force majeure events include natural disasters such as fires, floods, earthquakes, tornadoes or other extreme natural occurrences as well as war, sabotage, terrorist attacks, action by the authorities and other similar unforeseeable and unpreventable occurrences that are beyond the control of the parties and are not the result of errors made by either party. Strikes, or labour disruptions, or the scarcity or unavailability of raw materials, are not considered force majeure events. Events of force majeure shall relieve the parties of the responsibility for the consequences that may arise and shall do so for the duration of these circumstances. The party that pleads force majeure must notify the other party about the occurrence or termination of these circumstances without delay i.e. within three (3) days and provide proof of the facts on which it relies.

17.2 During the period of force majeure, the Buyer shall be entitled to ensure the delivery of Goods by other means: He shall be entitled:

(a) to purchase the Goods from another Supplier or

(b) to require the Supplier to deliver replacement Goods from other available sources in the volume and by the deadlines specified by the Buyer, and at the prices established in the Delivery Contract.

If the force majeure event lasts longer than thirty (30) days, the Buyer can terminate the contract without any liability towards the Supplier or without having any obligation to cover the costs of Goods as provided for in Article 10 of these GTCP.

18 Confidentiality

18.1 The Supplier shall keep confidential all Information provided by the Buyer, whether verbally or in writing. The Supplier shall only use this Information for contractual purposes. The Supplier shall not pass on this Information to third parties either directly or indirectly without prior written consent from the Buyer. This confidentiality obligation does not apply to Information that was provided to the Supplier by a third party in a legally permissible manner and on a non-confidential basis, or to Information that is freely available to the public.



19 Intellectual Property and Licenses

19.1 The Supplier warrants that the Buyer's intended use of the Goods does not violate any third-party rights, including but not limited to industrial or intellectual property rights. The Supplier hereby indemnifies the Buyer against all such claims, including any resultant disputes. This shall not apply if and to the extent that the Supplier is not responsible for the violation.

19.2 If the Supplier's Industrial Property Rights are necessary in order for the Buyer to use, repair or resell the Goods, the Supplier shall grant the Buyer a worldwide, irrevocable and royalty-free right to use the Goods himself or via third parties, to repair them or to otherwise use or resell them at his own discretion.

In the event that the Supplier fails to deliver the Goods, regardless of the reason, the Supplier hereby also grants the Buyer the right to supply the Goods himself or via a third party. If the Supplier is responsible for the failure to deliver, this right shall be granted free of charge; otherwise it shall be subject to a reasonable fee.

19.3 If standard user software is the subject of the Delivery Contract, the Supplier shall grant the Buyer a fully transferable right of use. The Supplier shall provide the Buyer with the necessary software free of charge. The Supplier shall ensure that the software sold is free from viruses and similar faults.

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

20 Prohibition of Advertising

20.1 The Supplier cannot advertise or publicize his business relationship with the Buyer, the Buyer's name or the name of the Goods without prior written consent from the Buyer. This shall not apply if a deviation from this prohibition is required due to binding legal provisions.

21 Social Responsibility

21.1 The Buyer deems it essential that the Supplier acts in a socially responsible manner toward his own employees and towards society as a whole in all its commercial activities. The Buyer and the Supplier share a common goal of operating in accordance with the directives of the UN Global Compact (Davos, 01/99) and the principles laid down by the International Labour Organisation (ILO) in the "Declaration on Fundamental Principles and Rights at Work" (Geneva, 06/98). The following principles are particularly important to the Buyer:

- honouring human dignity and human rights, prohibition of child labour and forced labour,
- realizing equal opportunities and family-friendly conditions,



- no discrimination on the basis of nationality, race or ethnicity, origin, gender, skin colour, health status, disability, religion or political beliefs, age, sexual orientation, marital status or membership in a trade union,
- prohibiting bribery and blackmail,
- responsible actions by all employees with regard to the environment,
- protecting ethnic minority rights,
- creating conditions that allow employees to enjoy an appropriate standard of living,
- respecting the freedom of association,
- informing employees about the objectives, financial and economic situation, and current issues affecting the company and the employees,
- providing the employees with continuous education and training,
- ensuring suitable/adequate working conditions,
- respecting and assuring legal requirements for working hours,
- comply with all legal requirements on wages, and provide any benefits required by law or contract
- complying with workplace health and safety requirements,
- complying with the applicable laws and regulations
- reducing impact on air pollution
- improving energy efficiency of processes, using renewable energy and reducing GHG emissions
- taking care about water quality, water-saving consumption and behaviour
- [assure approach to report activities believed to be illegal, dishonest, unethical or otherwise improper and do not retaliate against a whistle blower.](#)

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

22 Payment of Contractual Penalties and/or Other Costs due to an Infringement of Provisions in the Order, Delivery Contract or the GTCP Attributable to the Supplier

22.1 In the event of a failure to comply with the Order, Delivery Contract and/or the GTCP by the Supplier, the Buyer shall withhold payment for any outstanding invoices until the amount of the Supplier's liability arising from the infringement is known.

22.2 In the event that a specific case occurs in connection with the Order, Delivery Contract and/or GTCP, when the Buyer is entitled to demand payment of a contractual penalty and/or other costs that the Buyer has incurred due to the violations of the provisions in this Order, Delivery Contract or GTCP, the Buyer shall notify the Supplier about the occurrence of violations (this notification from the Buyer shall be considered as the start of the contractual penalty period or costs for overdue payments). The Buyer's notification regarding the infringement shall serve as the basis for issuing a debit note and/or



an invoice to the supplier. Repayment of an issued debit note and/or invoice shall be made in accordance with the financial compensations and/or direct payments by the Supplier according to the present Delivery Contract or arising from the Buyer's liabilities owed to the Supplier under other Delivery Contracts.

22.3 In addition to the rights to set-off under law, the Buyer shall be entitled to set-off with claims due or to become due from this or other Orders or Delivery Contracts with the Supplier.

23 Issuing Invoices

23.1 Invoices must comply with the applicable requirements of the Companies Act and the Value Added Tax Act of the Republic of Slovenia and contain the following information: the Order number or number of the Delivery Contract, code of Goods, delivery note number, delivery location, and in the case of delivery from one of the EU Member States, they must include an 8-digit tariff heading and parity in accordance with the Order and with Incoterms.

23.2 The Supplier is obligated to issue an invoice with an attached copy of a relevant document signed by the Supplier and the Buyer.

23.3 The Supplier shall send the invoice in electronic form or by sending a physical document with supporting documentation to:

-eracun@tpv.si if sending invoices in electronic form; all documents must be in the PDF format with a size up to 100kb (excluding CMR documents) or to;

-TPV Automotive d.o.o., Kandijaska cesta 60, 8000 Novo mesto, the Accounting Department in the event of sending a physical document;

-set up an electronic invoicing system based on the e-SLOG electronic standard in the XML format for Slovenian suppliers.

23.4 The Buyer must receive invoices within 8 days from the date of delivery of the Goods or no later than the fifth (5) of the month for the previous month. Otherwise, the date of the chargeable event and consequently the payment due date shall be put back by the appropriate number of days of delay. During this time, the Supplier shall not be entitled to claim interest on late payment. If the payment is due on a Saturday or holiday, it shall be made the next working day. During this period, the Supplier shall not be entitled to charge late payment interest.

23.5 Payment shall be made in accordance with the contractual arrival of Goods and the arrival of the correct and reviewed invoice.

23.6 Unless otherwise specified by the Buyer, all payments shall be made within 90 days from the end of the month of invoicing.

23.7 The Supplier shall not be entitled without the prior written consent of the Buyer to transfer or assign his claims against the Buyer to third persons.



23.8 If the Supplier is late with invoicing or delivery of Goods or if he supplies defective goods, the Buyer has the right to withhold payment until the Supplier fulfils his contractual obligations.

23.9 The invoice must not contain clauses that do not comply with the Order or the Delivery Contract or GTCP. Otherwise, the Buyer is not obligated to make the payment and/or he shall reject the bill. This also applies to cases where the invoice or the documentation is deficient or does not comply with the Order or Delivery Contract.

24 Dispute Resolution

24.1 The Buyer and Supplier shall endeavour to resolve any dispute in a friendly manner and through communication. If a settlement cannot be reached, the parties agree that the matter shall be settled by a court of competent jurisdiction in the Republic of Slovenia in Novo mesto, irrespective of the particularities of the GTCP. Legal transactions are concluded in and are subject to the law of the Republic of Slovenia, unless otherwise agreed in writing.

24.2 If the parties agree to it in writing, any dispute, disagreement or claim arising out of the Delivery Contract or in connection with the Delivery Contract, including its breach, termination or validity, shall be finally settled in an arbitration procedure in accordance with the arbitration rules of the Permanent Court of Arbitration at the Chamber of Commerce and Industry of Slovenia.

The arbitration panel shall consist of three arbitrators. The seat of arbitration shall be in Ljubljana, Slovenia. The arbitration procedure will be held in the Slovenian or English language. The language of the arbitration shall be chosen by the Buyer. The subject matter of the dispute shall be governed by Slovenian law.

24.3 Waivers of rights through implicit or tacit behaviour are excluded. A waiver of rights declared in an individual case shall not have any effect beyond the individual case.

Special provisions regarding production equipment

The special provisions regarding the purchase of production Equipment form an addendum to the Global Terms and Conditions of Purchase ("GTCP") and apply only to Orders for Production Equipment.

To the extent that changes are made to the GTCP in the following sections, these shall take precedence over the GTCP. All other provisions of the GTCP shall remain unaffected hereby.

If the "General Agreement Regarding Equipment" has been signed with the Supplier, then the relevant provision of this agreement shall take precedence over the GTCP.

2 Quantities and delivery dates

Sections 2.2 and 2.6 shall not apply.



Sections 2.9 through 2.13 shall be added as follows:

2.9 In the event that the Supplier misses agreed deadlines according to the schedule for the Order or the Delivery Contract, he shall pay the Buyer a contractual penalty, namely 1% of the value of the Equipment for each day of delay, but not exceeding 10% of the value of each individual Order/Delivery Contract. If the damages suffered by the Buyer as a result of the Supplier's delay are greater than the aforementioned penalties, the Buyer has the right to demand reimbursement for the difference between the penalty amount and the actual amount of damage.

2.10 Upon delivering the Equipment, the Supplier shall provide all documentation, replacement parts lists, operating instructions, declarations of conformity, programme workflows, and any other documents needed in order to use the Production Equipment.

2.11 The Supplier shall perform the installation with his employees. The costs of this are included in the fixed price, unless otherwise agreed upon in the Order.

2.12 The Supplier must train and instruct the Buyer, free of charge, in the use of the Production Equipment, including the software, to the extent that the Buyer considers this necessary in order to operate the Production equipment.

2.13 The latest, valid version of the TPV Automotive documents shall apply; they are available at www.tpv-automotive.si.

3 Packaging and shipping

Section 3.7 shall be added as follows:

3.7 The Supplier may not affix any recognizable company names, descriptions or emblems to the Equipment. The Buyer shall be entitled to remove any such labels from the Equipment, or render them unrecognizable, at the expense of the Supplier.

4 Prices, payment and delivery terms and conditions

Sections 4.7, 4.8 and 4.9 shall be added as follows:

4.7 The prices and payment conditions shall be established in the Delivery Contract or the Order.

4.8 All deliveries shall be made under the term CPT (Incoterms) to the Buyer's warehouse, unless otherwise specified in the Order or the Delivery Contract.

4.9 The supplier undertakes to quote his price for the Equipment by individual items of Equipment, broken down according to the structure and use the Buyer's form for the breakdown of prices. The price of the Equipment will cover all the costs necessary for the design, manufacture, supply, installation, connection, commissioning and optimization of equipment (auxiliary equipment, statutory



duties and other charges and fees, administrative and handling costs, labour costs, overheads, including the cost of disposal and destruction of materials and the materials that are necessary for the supply of Equipment by implementing the design-build method).

5 Quality

Sections 5.2 and 5.3 shall be amended as follows:

5.2 The Supplier warrants that the Equipment is the latest state of the art and that it complies with all statutory requirements in the course of developing and manufacturing the Equipment.

5.3 Before the Order/Delivery Contract is accepted and before changes are agreed upon with the Buyer, the Supplier shall analyze and review the Specifications and drawings for the Equipment, as well as all other parts of the Equipment that are provided or required by the Buyer. The Supplier shall acknowledge the Specifications and requirements as sufficient and suitable for producing the Equipment in compliance with the Delivery Contract/Order. Upon request, the Supplier shall take part in all quality and development programs required by the Buyer or the Buyer's customers.

Sections 6.9 and 6.10 shall be added as follows:

6.9 Responsibility for the design and construction shall lie exclusively with the Supplier. The Supplier shall coordinate the design and construction with the Buyer's specialist department before the start of production. Coordination of the design and construction with the specialist department involves merely a general check of the design and construction with regard to its overall function, and shall not relieve the Supplier of his responsibility. Coordination of the design and construction with the Buyer shall not constitute an acceptance of responsibility in the legal sense.

6.10 The Supplier shall only hire subcontractors after prior written consent from the Buyer.

6 Replacement parts

Section 6.1 shall be amended as follows:

6.1 The Supplier shall ensure the availability of replacement parts at market prices for a period of ten (10) years after the date of delivery. The Supplier shall inform the Buyer of any supply scarcity promptly, but no later than 3 months before it occurs, and shall propose suitable alternative measures.

7 Warranty

Section 7.6 shall be added as follows:

7.6 The warranty period shall be thirty-six (36) months after the final, unconditional acceptance of the Production Equipment by the Buyer.

19 Intellectual property and licenses



Section 19.5 shall be added as follows:

19.5 If the source code of the software necessary to operate the Production Equipment is not delivered with the Equipment, the Supplier shall deposit the source code along with a notary within ten (10) days of delivery. The Supplier shall irrevocably instruct such entities and hand over the source code to the Buyer in the event that insolvency or bankruptcy proceedings are initiated or in the event that the Order/Delivery Contract is terminated or the Supplier fails to comply with the contractual obligations despite a warning from the Buyer. The insolvency administrator (receiver) shall herewith transfer the title of the source code to the Buyer at the time that insolvency or bankruptcy proceedings are initiated or if the Delivery Contract is terminated or if contractual obligations are not met despite a warning from the Buyer. The Buyer hereby accepts the transfer of title under a condition precedent.

The source code shall be deposited in electronic form on data carriers and also in printed form. The Supplier hereby grants the Buyer the right to use this source code, unlimited in time and space and free of charge, as well as the right to modify and amend it. The Supplier shall immediately provide the Buyer with proof of the deposit and storage of the source code as well as the name and address of the notary.

The Supplier shall immediately provide and transfer ownership of the associated source code to the Buyer after any modification or update to the software under the same aforementioned conditions.

23 Issuing Invoices

Section 23.2 shall be amended as follows:

23.2 The Supplier is obliged to issue an invoice with an attached copy of take-over record signed by the Supplier and the Buyer. The date of the take-over document shall be the date before any comments are added to the document by the Buyer.

25 Transfer of ownership and risk

Sections 25.1 and 25.2 shall be added as follows:

25.1 The ownership title to the Equipment or parts thereof shall be transferred to the Buyer at the start of production and/or purchase by the Supplier for all unfinished intermediate steps, including the associated documentation (with the exception of design and construction documents). The ownership shall be transferred regardless of the payment status of the Production Equipment; the Buyer's obligation to pay according to the respective manufacturing status shall remain unaffected hereby. This transfer of title shall in no case constitute an acceptance of the respective unfinished intermediate phases or of the Equipment.

25.2 In the event that the Equipment has deficiencies or does not meet the requirements set out in this contract and its annexes, which makes pre-acceptance at the Buyer and/or final acceptance of the Equipment at the Buyer unsuccessful, and the parties have not signed the take-over record, the Buyer



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shall be entitled to use the Equipment in order to prevent damages that would occur or damages that the Buyer might suffer for undelivered products.