

**General Terms and Conditions of Purchase**  
**Renold GmbH, Renold Holding GmbH and Renold Automotive Systems GmbH**

**1. Scope**

- 1.1. These General Terms and Conditions of Purchase ("GTC") apply to all business relationships with business partners and suppliers ("Seller") of Renold GmbH, Renold Holding GmbH, and Renold Automotive Systems GmbH (together "Renold"), without requiring a reference to these GTC in each individual case.
- 1.2. These GTC apply on an exclusive basis. Any conflicting, deviating or supplementing terms of business of the Seller do not become part of the Contract except if and to the extent that Renold expressly approved their application in writing. In particular, Renold rejects penalty clauses. Where Renold accepts the Seller's delivery or performance without reservation despite knowing the terms of business of the Seller, this may not be construed as an acknowledgment of these terms.
- 1.3. These GTC only apply if the Seller is an entrepreneur (Sec. 14 BGB), a legal person under public law or a fund under public law.
- 1.4. Individual agreements (subsidiary agreements, amendments and/or modifications) with the Seller have priority over provisions of these GTC. For such agreements, the text form (including email) is the prevailing form.

**2. Contract formation**

- 2.1. Usually, based on Renold's non-binding inquiry, the Seller provides Renold with a binding offer for the sale of goods ("Goods") and provision of services ("Services").
- 2.2. Renold may accept the offer by issuing its purchase order ("Order"), which concludes the contract between the parties ("Contract"). For the avoidance of doubt, Renold is under no obligation to accept the Seller's offer.
- 2.3. The Seller will provide Renold with a confirmation of receipt immediately upon receipt of the Order.

**3. Changes**

- 3.1. In the event that Renold has a justified interest, Renold may request changes to the quantity of the Goods or Services after conclusion of the Contract, provided that such request is reasonable for the Seller and takes into account the interests of both parties.
- 3.2. Renold is entitled to amend the GTC, provided that. Renold only makes such amendments for good cause, in particular due to new technical developments, changes in case law or the legal situation, drastic changes in market conditions, currency conversions or other equivalent reasons. Renold (i) will make the changes only in a manner that reflects the circumstances giving rise to the valid reasons, (ii) will expressly notify the Seller of the new version of the respective GTC and make them available to the Seller. Furthermore, Renold (iii) will grant the Seller a reasonable period of time during which the Seller can object to the changes and (iv) inform the Seller that the contractual relationship will be continued with the new conditions without objection within a reasonable period of time or termination.

**4. Delivery, passing of risk and title**

- 4.1. The Goods shall be delivered and/or the Services provided DDP (Incoterms 2020) at Renold's place of business or to such other place of delivery as agreed by the parties ("Delivery Location"), provided that the Seller will also bear the costs and the risk of unloading.
- 4.2. Renold is not obliged to accept partial deliveries. Where partial deliveries are agreed, Renold can determine their chronological order. The acceptance of a partial delivery does not constitute an acknowledgement of the conformity of the entire delivery with the Contract.
- 4.3. Renold is entitled to reject excess and short deliveries outside the commercially customary limits. Deliveries which deviate from the order volume by more than 5% must be approved beforehand by Renold in writing in any event.
- 4.4. Renold is not obliged to accept early deliveries and Renold reserves the right to charge the storage costs to the Seller's account until the actual delivery date. This does not affect the time and consequences of the passing of risk.
- 4.5. The Goods to be supplied will be packaged in accordance with customary commercial practice or be provided at the request of Renold with Renold's original packaging or other particular packaging materials. Each external packaging will be marked and labeled with details on the item, quantities and sizes.
- 4.6. If the Seller requires Renold to return any packaging material to the Seller that fact must be clearly stated on any delivery note delivered to Renold and any such packaging material shall only be returned to the Seller at the cost of the Seller.

**5. Delivery time, default in delivery**

- 5.1. The delivery time indicated in the Order is binding.

- 5.2. If the Seller is unable to observe the agreed delivery time, the Seller will notify Renold in writing immediately once the potential delay becomes evident, indicating the reasons and duration of the estimated delay. This does not affect the Seller's obligation to deliver at the agreed delivery time.
- 5.3. The Seller shall ensure that each delivery is accompanied by a delivery note which shows, among other things, the Order number, date of Order, number of packages and contents and, in the case of a partial delivery, the outstanding balance remaining to be delivered.
- 5.4. Unless otherwise stipulated by Renold in the Order, deliveries shall only be accepted by Renold in normal business hours.

- 5.5. If the Seller fails to fulfil the Contract or does not fulfil the obligations of the Contract within the agreed delivery time, the statutory provisions apply. In case of default in delivery for which the Seller is responsible (*Vertretenmüssen*), notwithstanding any further rights or damage claims Renold may have, Renold will be entitled to claim liquidated damages from the Seller in the amount of 0.5% of the net price of the delayed Goods or Services for each completed calendar week, with a maximum of 5% of the net price of the delayed Goods or Services. The Seller has the right to show that Renold incurred no damages or that they were lower than set out above.

- 5.6. Title passes from the Seller to Renold at the time of delivery or acceptance (*Abnahme*), respectively. Retention of title is excluded.

**6. Incoming inspection, quality and warranty claims**

- 6.1. Renold's inspection and notification obligations (*Untersuchungs- und Rügepflichten*) according to Sec. 377 and 381 of the German Commercial Code (*Handelsgesetzbuch, HGB*) are, in any event (*jedenfalls*), considered fulfilled in due time if the Seller was notified within 5 calendar days from receipt of the Goods or performance of the Services for obvious defects. This applies to non-obvious defects accordingly, provided that timeliness of the notification depends on the time of the identification of the defect.
- 6.2. The Goods will be free of defects. The acceptance or approval of submitted prototypes or samples does not represent a waiver of the warranty claims. Renold is entitled to the statutory warranty rights in the event of a defect.
- 6.3. The warranty period is 3 years from the passing of the risk, except if the claim is in relation to a building or item usually used for a building causing the defect, for which the warranty period is 5 years and (ii) except if the defect concerns a right in rem or other right set out in the land register, for which the warranty period is 30 years.
- 6.4. The Seller warrants to Renold that:
  - 6.4.1. the Seller will perform the Services with reasonable care and skill and in accordance with generally recognised commercial practices and standards in the industry for similar services;
  - 6.4.2. the Services will conform with all descriptions and specifications provided to Renold by the Seller; and
  - 6.4.3. the Services and the Goods (including any labelling on the Goods) will comply with and be provided in accordance with all applicable legislation and regulations (including EU & UK REACH Regulations and the Conflict Minerals Regulations where applicable) as well as export control laws.

**7. Liability and Insurance**

- 7.1. The Seller is liable according to statutory law.
- 7.2. Renold's liability is limited as set out below:
  - 7.2.1. Renold is fully liable for damages caused with willful intent and gross negligence.
  - 7.2.2. If Renold breaches a contractual obligation in a slightly negligent manner, which is essential for the purpose of the transaction, and if the Seller relies on its fulfilment (*Kardinalpflichten*), Renold is only liable for foreseeable damage that typically occurs in these kinds of contractual relationships. With respect to any other damage resulting from slight negligence, Renold's liability is excluded.
  - 7.2.3. The foregoing limitations of liability or exclusions do not apply to claims resulting from fraudulent concealment of a defect, acceptance of a guarantee, claims pursuant to the German Product Liability Act (*Produkthaftungsgesetz, ProdHaftG*) and to claims arising from personal injuries or death.
  - 7.2.4. To the extent that Renold's liability is excluded or limited, this also applies to the personal liability of employees, representatives and vicarious agents.
- 7.3. The Seller is obligated to maintain appropriate insurance cover for the duration of the Contract.

## 8. Price, payment and invoicing

- 8.1. The price of the Goods and/or Services shall be stated in the Order and unless otherwise agreed in writing by Renold shall be exclusive of value added tax (or its equivalent) but inclusive of all other charges.
- 8.2. Payment is due within 30 calendar days from full performance (and acceptance, if required) and receipt of a properly issued invoice, including Renold's Order number and / or cost centre number and (if stated on the order) CAPEX number. If Renold issues payment within 8 calendar days, there is a 3% reduction in price. If Renold issues payment within 14 calendar days, there is a 2% reduction in price.
- 8.3. Renold is entitled to set-off and withhold payments that are due, as long and to the extent that Renold has any claims to the Seller arising from their business relationship (including the Contract).
- 8.4. Payment of instalments require prior agreement in writing between the Parties and will only become payable upon completion of the corresponding portion of the Services.
- 8.5. Payment by Renold does not constitute (i) an acknowledgement of the Goods' or Services' compliance with the agreed terms or (ii) an acknowledgement of the completion of the Services by the Seller or (iii) acceptance by Renold.

## 9. Audit rights

- 9.1. The Seller will permit Renold or a professionally qualified independent auditor, at Renold's discretion, during regular business hours access to its premises and to any of its personnel, systems and relevant records as may be reasonably required in order to verify that the Goods and Services are being provided in accordance with this Contract and that the Seller complies with all other obligations contained in this Contract and to assess and verify the Seller's compliance with all applicable laws. The Seller may refuse access to information that are trade secrets.
- 9.2. The Seller will provide Renold or its auditors with all reasonable co-operation, access and assistance in relation to each audit.

## 10. Confidentiality

- 10.1. "**Confidential Information**" means the terms of the Contract as well as all information and content of documents regarding Renold's trade and business secrets and business-related information of Renold which become known to the Seller because of or in connection with the Contract or due to the access provided to Renold business premises, regardless of its form (written, electronic, oral, or otherwise).
- 10.2. The Seller is obligated to keep Confidential Information confidential. The Seller may disclose Confidential Information only to those employees who need to know them for the fulfilment of the obligations of the Contract. The Seller needs to inform such employees of the obligation set forth in this **clause 10** and ensure that the employees comply with the confidentiality provisions of this **clause 10**.
- 10.3. The Seller may disclose Confidential Information to third parties only with Renold's prior approval in writing, except for individuals obligated to statutory professional confidentiality and public authorities within the scope of statutory disclosure obligations and to the extend required. To the extend required the fulfilment of the obligations of the Contract, the Seller is entitled to disclosure of Confidential Information to subcontractors provided it subjects the subcontractors to the same level of confidentiality as set out in this **clause 10**.
- 10.4. The confidentiality obligations set out in this **clause 10** do not apply to information that is or becomes already known to the public or is or becomes publicly available without the Seller's fault, was already in the Seller's possession before receiving it from Renold, is lawfully obtained from a third party who has the right to disclose it, or was independently developed without using Renold's Confidential Information.
- 10.5. Upon the end of the business relationship, the Seller is obligated to return, delete or destroy all documents or files containing Confidential Information within a reasonable time period. Upon request of Renold, the Seller will provide confirmation in writing that all documents, including all copies, have been returned to Renold, deleted or destroyed.
- 10.6. The obligations of this **clause 10** continues up to 5 years after termination of the business relationship.

## 11. Renold's property, opening of insolvency proceeding

- 11.1. Materials, equipment, tools, dies, moulds, copyright, design rights or any other forms of intellectual property rights in all drawings, specifications and data supplied by Renold to the Seller or not so supplied but used by the Seller specifically in the manufacture of the Goods or provision of the Services shall at all times be and remain the exclusive property of Renold.
- 11.2. If items are provided by Renold to the Seller for further processing, Renold retains proprietorship (*Eigentum*) to its items and the

processing will take place in the name and for the account of Renold as the manufacturer with Renold directly acquiring the property to the processed items with the completion of the processing.

- 11.3. The Seller will treat the items, including any tools, received from Renold with care, hold them in safe custody at its own risk and maintain them and keep them in good condition and only use them in accordance with this Contract. The Seller will insure these items at the Seller's own expense against fire, water and theft, in the amount of the value of the items or processed items, respectively, whereas any used tools are only to be insured at their current market value. The Seller will clearly mark the items as property of Renold and store them in a separate area, also clearly marked as storage for items which as the property of Renold. If the items are seized by third parties, the Seller is obliged to notify the seizing individual that the items are Renold property and to inform Renold of the seizure without undue delay (*ohne schuldhafte Zögern*) in writing.
- 11.4. The Seller must immediately inform Renold in writing if an application for the opening of insolvency proceedings is filed against the assets of the Seller.

## 12. Termination

- 12.1. In the event that the Contract is a long-term agreement, Renold shall have the right at any time to terminate the Contract in whole or in part for convenience with a reasonable notice period.
- 12.2. In the event that the Contract is a one-off contract for the manufacturing of bespoke Goods for Renold, Renold also has the right to terminate the Contract at any time for convenience. In this case, Renold shall pay to the Seller the compensation as set out by statutory law.
- 12.3. The aforementioned does not affect either party's right to terminate the Contract for good cause. For Renold, good cause shall constitute, in particular, if:
  - 12.3.1. the Seller commits a material breach of any of the terms and conditions of the Contract; or
  - 12.3.2. any distress, execution or other process is levied upon any of the assets of the Seller; or
  - 12.3.3. the Seller has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Seller or notice of intention to appoint an administrator is given by the Seller or its directors or by a qualifying floating charge holder or a resolution is passed or a petition presented to any court for the winding-up of the Seller or for the granting of an administration order in respect of the Seller, or any proceedings are commenced relating to the insolvency or possible insolvency of the Seller; or
  - 12.3.4. any event occurring, or proceeding being taken, with respect to the Seller in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in **clauses 12.3.2 or 12.3.3**; or
  - 12.3.5. the Seller ceases or threatens to cease to carry on its business;
  - 12.3.6. the financial position of the Seller deteriorates to such an extent that in the opinion of Renold the capability of the Seller adequately to fulfil its obligations under the Contract has been placed in jeopardy; or
  - 12.3.7. the Seller repeatedly breaches any of the terms of the Contract in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of the Contract.

## 13. Personnel and subcontractors

- 13.1. The Seller is entitled to use subcontractors at its own cost, but is obligated to disclose the identity of any subcontractor prior to appointing the subcontractor for the provision of the Services. Renold has the right to reject subcontractors for good cause.
- 13.2. In the event, personnel or subcontractors are deployed by the Seller, they will be under the direction and control of the Seller at all times and will not be subjected to Renold's directive authority. This applies in particular to the extent that individuals deployed by the Seller render any Services on the premises of Renold and/or any of its affiliates according to Sec. 15 pp. of the German Stock Corporation Act (*Aktiengesetz, AktG*). Notwithstanding the aforementioned, the personnel or subcontractors will work and cooperate with any personnel from Renold.

13.3. The Seller acts as, and assumes responsibility as the employer in relation to its personnel for all purposes including but not limited to the payment of wages, (such wages must be sufficient to at least comply with the Minimum Wage Act (*Mindestlohngesetz, MiLoG*), deduction and payment of all statutory contributions in respect of earnings related insurance and the administration of income tax.

13.4. The Seller warrants that all of its personnel are employed by the Seller and that all personnel or subcontractors are appropriately qualified, skilled and experienced to perform the Services and all obligations as set forth in the Contract.

#### 14. Assignment

The Seller shall not be entitled to assign (except monetary claims) or transfer, rights of the Contract or the entire Contract or any part of it without the prior written consent of Renold.

#### 15. Data protection

Both parties consider themselves as separate controllers for the processing of personal data pursuant to this agreement. They are not deemed to neither joint controllers nor controllers and processors. Each party is therefore independently responsible for complying with the respective applicable data protection laws, including the General Data Protection Regulation. This applies in particular to their compliance with the general principles governing the processing of personal data - lawfulness, transparency, purpose limitation, data minimization, accuracy, storage limitation, data security and accountability. Both parties may assist each other, insofar as this is possible and reasonable, for the fulfilment of their obligations.

#### 16. Anti-corruption

16.1. The Seller will, and will procure that its officers, employees, agents and any other persons who perform Services for the Seller or on the Seller's behalf in connection with the Contract will:

16.1.1. not commit any act or omission which causes or could cause Renold or the Seller to breach, or commit an offence under, any laws relating to anti-bribery and/or anti-corruption;

16.1.2. keep accurate and up to date records showing all payments made and received and all other advantages given and received in connection with the Contract and the steps taken to comply with this Condition, and permit Renold to inspect those records as reasonably required.

16.1.3. promptly notify Renold of:

16.1.3.1. any request or demand for any financial or other advantage received by the Seller; and

16.1.3.2. any financial or other advantage the Seller give or intend to give whether directly or indirectly in connection with the Contract; and

16.1.4. promptly notify Renold of any breach of this Condition.

16.2. Renold may terminate the Contract for good cause if the Seller is in breach of **clause 16.1**.

16.3. The Seller generally and throughout the term of the agreement, will comply with all applicable laws, regulations and rules, including (but not limited to), any minimum wage, human, anti-corruption laws and regulations, laws and regulations designed to prevent child labour, human trafficking and bribery. The Seller shall not commit any prohibited acts, directly or indirectly, in connection with the Services, as well as other services rendered to Renold.

Prohibited actions include a promise, offer or benefit to improperly influence actions.

#### 17. Export control and conflict minerals

17.1. The Seller warrants that the Seller and its subsidiaries (including any entities controlled, or wholly or partially owned by it), as well as its agents or any third party acting on its behalf, will comply with any applicable export control laws and conflict mineral regulations and will not act in a way which could cause Renold to directly or indirectly breach any applicable export control laws or conflict mineral regulations.

17.2. The Seller undertakes that neither it nor any of its subsidiaries (including any entities controlled, or wholly or partially owned by it), its agents or any third party acting on its behalf is a sanctioned entity or individual.

17.3. The Seller will implement adequate policies and procedures to ensure compliance with applicable export control laws and conflict mineral regulations.

17.4. The Seller shall notify Renold without undue delay (*unverzöglich*) if the Seller becomes aware that it breaches any conditions in this **clause 17**.

17.5. Upon request, the Seller shall provide to Renold all relevant information showing the source of any minerals that could be subject to the conflict minerals regulations, such as tantalum, tungsten, tin or gold, and shall cooperate with Renold in relation to any due diligence or other enquiries raised by Renold.

17.6. In the event of a breach of any condition in this **clause 17** by Seller, Renold may terminate the Contract for good cause and has the right to claim damages from the Seller.

#### 18. General

18.1. The Seller may only refer to or use Renold name /logo in the business dealings, in particular for advertising purposes, with the prior written consent of Renold. Renold may use and refer to the Seller and any Seller logo to identify the Seller as a supplier to Renold to use its brands, logos and license plates for promotional advertising ,marketing and commercial purposes ,including on any Renold website.

18.2. The Seller's right to set off claims and exercise retention rights is limited to (counter)claims that are undisputed, legally established or ready for judgement.

18.3. A reference to "writing" or "written" includes faxes and emails.

18.4. Nothing in the Contract and no action taken by the parties in connection with it will create a partnership or joint venture between the parties or give either party authority to act as the agent of or in the name of or on behalf of the other party or to bind the other party or to hold itself out as being entitled to do so.

18.5. This Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of Germany with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG), and the parties submit to the exclusive jurisdiction of Göttingen, Germany for all disputes arising from and in connection with the Contract.