

# General Purchasing Terms and Conditions

Under Italian Law

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## 1. DEFINITIONS

Notwithstanding anything to the contrary, the following words and expressions, when used with capital initial letters in the Contract, shall have the following meanings:

<b>Affiliated Company</b>	is any legal entity controlled by FORVIA European Company or by a successor of Forvia European Company, where " <b>controlled</b> " means direct or indirect possession of at least thirty five percent (35 %) of the shares or voting rights in such legal entity.
<b>AI Output</b>	refers to the results generated by AI, such as texts, images, videos, code, content, predictions, recommendations and decisions.
<b>AI Regulations</b>	include the Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on Artificial Intelligence (" <b>EU AI ACT</b> ") and any applicable legal acts on Artificial Intelligence.
<b>Artificial Intelligence ("AI")</b>	means artificial intelligence systems, system components, base models and/or generative artificial intelligence systems in accordance with the EU AI Regulation.
<b>Audit</b>	is the auditing of the contractual obligations, means of production and facilities (including, but not limited to production processes, design processes and quality standards) of the Supplier.
<b>Auditor</b>	is the person or group of persons that are appointed by the Company at its sole discretion to undertake the Audit.
<b>Background</b>	is the entirety of the respective Contracting Party's Industrial and Intellectual Property that is already in existence at the time of the conclusion of the Contract and therefore excludes Results.
<b>Closed Order</b>	is a Purchase Order that contains all requisite characteristics of Contractual Products and/or Contractual Services, including delivery dates and exact delivery quantities.
<b>Company</b>	is the Affiliated Company that issues the Purchase Order.
<b>Component Part</b>	is a sub-assembly, individual component part and raw material of the Contractual Products that the Company may ultimately offer.

<b>Contract</b>	is the entirety of all contractual documents that are listed in Section 3.1.
<b>Contracting Parties</b>	means collectively the Company and the Supplier; and Contracting Party means either of them.
<b>Contractual Products</b>	are all goods, products, equipment, tooling, components, assemblies or sub-assemblies or materials that are the subject matter of the Contract, in addition to the drawings, models, templates, samples, or similar objects or data on which the Contractual Products are based on, regardless of their form (tangible or intangible) or medium (including but not limited to paper, sample, electronic device).
<b>Contractual Services</b>	are all services that are the subject matter of the Contract.
<b>Copyleft</b>	means any Open-Source License having binding effects on subsequent downstream licenses including a contaminating/viral effect and the obligation for the licensee to disclose the source code of the related software.
<b>Customer</b>	is the automobile manufacturer, whether consumer, commercial, off-road or similar, mobility provider, non-automotive company (including, but not limited to, electronics and consumer product technology providers) or other person, company, entity or sub-contractor to which the Company directly or indirectly delivers the Customer Products. If the Company was not nominated by the automobile manufacturer, the Customer is the company that nominated the Company for the delivery of the Customer Products or, as the case may be, engaged the Company therewith.
<b>Customer Products</b>	are the Company's products, including but not limited to the Contractual Products and/or Contractual Services.
<b>Default</b>	is constituted when the concerned Party is in breach of its contractual obligations.
<b>Defects</b>	are material and legal defects. The Contractual Products and/or Contractual Services have a material defect if (1) the Contractual Products and/or Contractual Services do not conform to the agreed quality or Specifications, (2) are not suitable for the use intended under the Contract or (3)

to the extent the quality and/or the intended use have not been explicitly or implicitly agreed upon, it is not suitable for customary use and its quality is not usual in items of the same kind. Without limiting the generality of the foregoing, delivery by the Supplier of a different kind of item or of an item of a lesser value than the Contractual Products and/or Contractual Services is equivalent to a material defect.

The Contractual Products and/or Contractual Services have a legal defect if a third party, in relation to the Contractual Products and/or Contractual Services, can assert any rights or claims of any kind, other than those rights or claims assumed pursuant to the Contract, against the Company.

<b>Equipment</b>	are auxiliary items, such as but not limited to samples, models, prototypes, calibres and tooling, manufactured or provided by the Supplier in order to perform the Contractual Products and/or Contractual Services.
<b>FORVIA Group</b>	is the factual group formed by Forvia European Company's Affiliated Companies and HELLA including its Affiliated Companies, including the Company.
<b>Forvia Indemnified Parties, (each, "Forvia Indemnified Party")</b>	Is Forvia, Forvia S.E., the Customer and each of such party's respective Representatives, agents, invitees, Subsidiaries, Affiliates, distributors, end-user customers of the Products; and successors and assigns of such parties.
<b>Forvia European Company</b>	is Forvia S.E., a European company headquartered at 23-27 Avenue des Champs Pierreux, 92000 Nanterre, France, registered in the Commercial Register of Nanterre under number 542 005 376.
<b>Force Majeure</b>	is an event which (a) was not foreseeable, (b) and not the fault of, nor caused by a Party's negligence, and which (c) is beyond the reasonable control of the Contractual affected Party and would impair the ability of the affected Contracting Party to perform normally its contractual obligations, such as acts of God, or of a public enemy/acts of terror or Governmental action specifically restricting the performance, fires, floods, unusually severe weather, explosions riots or war . Force Majeure does not include, however, any delay caused by arising from or related to (i) Strikes of the Supplier's personnel or strikes of its Subcontractors' (ii) Supplier's financial difficulties; (iii) a change in cost or availability of materials or components based on market conditions or Supplier actions; (iv) labour shortages or absenteeism on the part of Supplier or Supplier's Subcontractors; or (v) any cyber-security or information system service disruption event.
<b>FOSS (Free and Open-Source Software)</b>	means software components, parts of these or individual files that are available as source code and without payment of license fees and are under a license that grants the user rights to edit and distribute. This applies in particular to licenses that have been classified by the OSI ( <a href="https://opensource.org/licenses">https://opensource.org/licenses</a> ) and / or the FSF ( <a href="https://www.gnu.org/licenses/license-list">https://www.gnu.org/licenses/license-list</a> ) as a FOSS license

or are included in the SPDX license list (<https://spdx.org/licenses/>).

Software components, parts of these or individual files that have been marked as Public Domain by the legal owner are treated like FOSS within the framework of the contract. The designation as Public Domain means that the right holders have expressed that they no longer want to have any rights to the corresponding software components, parts or files and that they want to make these available in the public domain or license them to anyone without conditions.

**GENERAL  
TERMS AND  
CONDITIONS  
FOR THE USE  
OF FOSS**

are General Terms and Conditions for the Use of Free and Open-Source Software, which apply to all deliveries and services containing FOSS in any form, whether permanent or temporary, as separate FOSS or as FOSS combined with software and/or hardware and includes FOSS used by the Supplier as well as FOSS used by its Sub-Suppliers.

**GPC**

are the General Purchasing Terms and Conditions, consisting of this document and any documents attached hereto or incorporated by reference.

**HELLA**

is HELLA GmbH & Co. KGaA, a German Company headquartered at Rixbecker Str. 75, 59552, Lippstadt, Germany, registered in the Commercial register of Paderborn under number HRB 6857

**Incompatible  
License**

means any license (including any Open-Source License) containing at least one term contrary to the terms of another licence (including an Open-Source License) preventing the Company to comply with the terms of both of such licenses in case of use, representation, reproduction, adaptation, modification or distribution of the corresponding software(s).

**Industrial and  
Intellectual  
Property**

is constituted by the industrial and intellectual property rights of a Contracting Party or third party, including Proprietary Rights and Know-How.

<b>Invoice</b>	is a commercial invoice that contains all of the information necessary for identification and checking of the relevant delivery of the Contractual Products and/or Contractual Services and which entitles the recipient to account the invoiced amount as a liability for financial accounting purposes.
<b>Know-How</b>	is a know-how of any kind, particularly inventions, test and development reports, drawings, models, ideas, suggestions, and calculation results of the Contracting Party, which are not Proprietary Rights.
<b>Letter of Nomination</b>	is the document and its appendices whereby the Company appoints the Supplier for the supply of Contractual Products and/or Contractual Services.
<b>Liabilities</b>	include but are not limited to any claims, deductions, debits, losses, damages, demands, costs, expenses, of any kind or any nature, whether actual or threatened, including consequential, punitive and special damages, moral rights collections, personal and property damages, lost profits, production interruption costs, inspection, handling, reworking, trapped labor, legal and other professional fees, witness and expert fees, costs of defence and any other costs associated with Faurecia's internal or external time, labour, materials or similar cost; as such costs are incurred by or threatened against any Forvia Indemnified Party, related to, arising out of, caused by or in connection with Supplier's performance of its obligations or breach of any obligation under this Contract at law, or otherwise and/or occasioned by Supplier's or Supplier's Representatives actions, omissions, negligence, gross, negligence or misconduct, and including but not limited to (i) improper, unsafe or defective materials, workmanship or design of the Contractual Products and/or Contractual Services, except where strict and complete compliance by the Supplier with the Specifications prescribed by and originating with the Company constitutes the sole basis of the claim or alleged claim, or (ii) breach of any provisions of any Purchase Order or this Contract, including but not limited to any of the representations or warranties provided herein, (iii) the Supplier's failure to comply with all applicable Laws; or (iv) breach or alleged breach of intellectual property rights of a third party.



<b>Open Order</b>	is a Purchase Order containing all requisite characteristics of Contractual Products and/or Contractual Services, with the exception of certain particulars including delivery dates or exact delivery quantities, and which provides that delivery dates and exact delivery quantities are to take place within the framework of Releases, delivery schedules or other similar documents.
<b>Order Confirmation</b>	is a copy or separate confirmation of a Purchase Order signed by the Supplier.
<b>Open-Source License</b>	means any license corresponding to the requirements defined in the "Open Source Definition" (available on the URL: <a href="http://opensource.org/osd">http://opensource.org/osd</a> ) by the Open Source Initiative, or by the "Free Software Foundation" (available on the URL : <a href="https://www.gnu.org/philosophy/free-sw.en.html">https://www.gnu.org/philosophy/free-sw.en.html</a> ), which Supplier declares to have read and understood and which comprise inter alia the following licenses or distribution models: the GNU General Public License (GPL) and GNU Lesser General Public License (LGPL), Apache License, Mozilla Public License (MPL), Berkeley Software Distribution License (BSD-License).
<b>Particular Conditions</b>	are separate business terms and conditions, including any appendices thereto, that contain specific requirements which address special product, local market or delivery requirements (if any), including legal matters specific to a country where the Company or the Supplier is located. The Particular Conditions are intended to be applicable as per the relevant Purchase Order and are binding on the Company and the Supplier.
<b>Personal Data</b>	is any information relating to an identified person or a person who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.
<b>Price</b>	is the price that the Company has to pay as consideration for the Contractual Products and/or Contractual Services as set out in the Purchase Order.

<b>Proprietary Rights</b>	are all intellectual property rights including, but not limited to, patents, trademarks, trade names, copyrights and all rights of whatsoever nature in computer software and data, rights in logos, inventions, moral and artists' rights, design rights, trade or business names, domain names, database rights and semi-conductor topography rights and all intangible rights and privileges of a nature similar, analogous or allied to any of the above in every case whether registered or unregistered and all rights or forms of protection of a similar nature anywhere in the world.
<b>Provided Material</b>	is any material and/or equipment provided free of charge by the Company to the Supplier.
<b>Purchase Orders</b>	are all documents, including Open Orders, by means of which the Company orders Contractual Products and/or Contractual Services.
<b>Quality Assurance Agreement (QAA) or Warranty Agreement</b>	means the Quality Assurance Agreement or Warranty Agreement provided by Company to Supplier, as may be amended, by Company from time to time setting forth certain minimum quality requirements for the Contractual Products and Contractual Services and shall be binding upon the Supplier pursuant to these GPCs. The Company may mandate additional quality requirements specific to the Products to be provided. In such case any additional requirements shall be deemed incorporated into the QAA by reference.
<b>Release</b>	is a call-off for Contractual Products and/or Services in terms of Open Order.
<b>Results</b>	is the entire Industrial and Intellectual Property, and all intellectual work and inventions, excluding Background, created by the respective Contracting Party after entering into the Contract within the framework of providing the Contractual Products and/or Contractual Services and protectable, or not, by Intellectual Proprietary Rights, including by patents of invention.

<b>Right of Use</b>	is the right to exploit an item or a right of Industrial and Intellectual Property. It encompasses, in particular, the right of manufacturing, of performing further development, reproduction, dissemination, presentation, adaptation, redesign, use, and marketing. Unless otherwise expressly provided in the Contract, the Right of Use can be freely transferred and/or sub-licensed, is irrevocable, for the duration of the Industrial and Intellectual Property, and valid worldwide.
<b>Service Part</b>	is the Contractual Product that the Company may ultimately offer to Customer as service or replacement parts or as accessories.
<b>Specifications</b>	are the required properties and characteristics for the Contractual Products and/or Contractual Services, specified by the Company, usually contained in documents attached to the Purchase Order and/or any Letter of Nomination.
<b>Subcontractor</b>	is any third party that the Supplier entrusts with the execution of at least part of the Contractual Products and/or Contractual Services.
<b>Supplier</b>	is the Contracting Party or any of its Affiliated Companies that is required to provide Contractual Products and/or Contractual Services to the Company.

## 2. 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 and any of its Affiliated Companies to the Supplier and any of its Affiliated Companies.

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.

## 3. CONTRACTUAL DOCUMENTS

- 3.1** Contract. The Contract consists of the following documents, in a decreasing order of priority: (i) the Releases, (ii) the Purchase Order issued by the Company, (iii) the Letter of Nomination, if applicable (iv) Particular Conditions, including General Terms and Conditions for the Use of FOSS, if applicable, (v) one or more Quality Assurance Agreement(s) or Warranty Agreement(s) issued by the Company (the "QAA"); and (vi) these GPC. In the event of conflicts between provisions of the Contract, the priority of the documents shall be determined according to the foregoing sequence.

- 3.2** Entire agreement. The Contract constitutes the entire agreement between the Contracting Parties and supersedes all prior, express or implied, written or verbal, representations and/or agreements.
- 3.3** Amendment. Any request for an amendment of the Contract by a Contracting Party shall not unreasonably delay or suspend performance of the Contractual Products and/or Contractual Services. Amendments of the Contract must be in writing and must be validly signed by the Contracting Parties.

## **4. PURCHASE ORDER – FORMATION OF THE CONTRACT - RELEASES**

- 4.1** The Purchase Order issued by the Company may be sent by letter, email, fax or any other electronic means as determined by the Company. The Contract shall be concluded, if the Supplier dispatches an Order Confirmation to the Company by letter, email, fax or any other electronic means as determined by the Company within a period of ten (10) calendar days from dispatch of the Purchase Order. The date indicated on the Purchase Order shall be deemed to be the date of dispatch, if the date of dispatch of the Purchase Order is not determinable.
- 4.2** The Company shall be entitled to revoke Purchase Orders in writing with immediate effect, without a statement of grounds at any time prior to the receipt of the Order Confirmation. Timely revocation shall not establish any claims whatsoever on the part of the Supplier for contract finalisation or compensation or compensatory damage payments.
- 4.3** If the Supplier does not dispatch an Order Confirmation and the Purchase Order has not been revoked in accordance with Section 4.2, the Contract shall, by way of deviation from Section 4.1, be deemed validly formed as soon as (i) the Supplier executes the Purchase Order in whole or in part and (ii) the Company accepts the respective Contractual Products and/or Contractual Services without reservation.
- 4.4** The terms of Section 4.1 shall apply mutatis mutandis to the Releases. Each Release will be deemed part of the Contract (formed by the dispatch and the acceptance of an Open Order) and shall not be considered a separate agreement. As a consequence, the non-performance by the Supplier of a specific Release, will make the Supplier liable for all the financial consequences triggered by this non-performance. Repetitive or continuous non-performance of Releases by the Supplier may trigger the termination of the relevant Contract as per Section 23.5 of the present GPC.

## **5. CHANGES TO THE CONTRACTUAL PRODUCTS AND/OR CONTRACTUAL SERVICES**

- 5.1** **Changes.** The Company shall be entitled to request changes to the Contractual Products and/or Contractual Services from the Supplier at any time. The Supplier shall review the feasibility and the technical and commercial effects of the changes and transmit a written offer to the Company concerning implementation of the changes within a reasonable time. The offer shall contain a detailed description of the effects of the changes (particularly with respect to the quality, the safety, the costs, and/or the delivery dates of the Contractual Products and/or Contractual Services) and the necessary documentation. In case the changes requested are due

to quality or safety problems, the technical and commercial feasibility of such changes has to be reviewed immediately by the Supplier, which shall send an offer forthwith.

**5.2 Confirmation of change.** If the Company accepts the Supplier's offer, the Contracting Parties shall undertake all necessary adjustments to the Contract in writing prior to implementation of the changes. This shall apply, in particular, to the adjustment of the Specifications, the drawings, the Price, the delivery dates and/or other time periods.

**5.3 Resolution.** If the Contracting Parties do not reach an agreement with respect to all necessary changes, as provided for in Sections 5.1 and 5.2, the Company shall be entitled to at its sole option:

**5.3.1** reject the Supplier's offer/change and demand performance under the terms of any accepted Purchase Order or Particular Conditions;

**5.3.2** engage a third party to implement the changes. In such case, the Supplier undertakes to deliver to the Company all drawings, Specifications and other documents that are necessary to the planning and implementation of the changes.

**5.3.3** terminate the Contract in whole or in part as per the provision of Section 25.

**5.4 No change.** The Supplier may not make any change to the Contractual Products and/or Contractual Services, without prior written agreement by the Company. Should the Company agree to Supplier's change, the Supplier must assume all costs incurred by the Company due to these changes, e.g. but not limited to the qualification costs, change costs, test costs, development costs, the costs for a renewed first sample release etc.

## 6. INFORMATION, ADVISORIES, WARNINGS

**Information Sharing.** The Supplier is a specialist in the supply of the Contractual Products and/or the performance of the Contractual Services. As such, the Supplier shall promptly transmit to the Company all necessary information, instructions advisories, and warnings relating to the Contractual Products and/or Contractual Services, including their quality or their safety, regardless of the skills and/or Know-How of the Company. In particular, the Supplier shall:

- provide the Company with all information and instructions that are necessary for the correct storage and use of the Contractual Products and/or Contractual Services;
- ensure that the Specifications of the Contractual Products and/or Contractual Services are complete, suitable for and commensurate to the contractually agreed upon or known intended use;
- promptly inform the Company if the Contractual Products and/or Contractual Services violate any laws or regulations in the countries in which the Customer Products are to be sold, distributed or used (this duty to inform shall not apply if the Supplier is neither aware, nor should be aware, of the countries in which the Customer Products are to be sold or used);

- inform the Company of any quality risks or other inadequacies of which it is aware with respect to the Contractual Products and/or Contractual Services, and promptly warn the Company if the Contractual Products and/or Contractual Services are defective, particularly if such Defect could endanger the safety of people or property; and
- propose measures to the Company to improve the quality and reduce the costs of the Contractual Products and/or Contractual Services.

## 7. ACCREDITATION - LICENCE - PERMIT & AUTHORISATION

- 7.1** If required, the Supplier must be accredited, licenced, permitted and/or authorised by the governmental authorities or organizations listed in the Contract and shall take all necessary steps in order to maintain the accreditation, licence, permit and/or authorisation during the term of the Contract. The accreditation, licence, permit and/or authorisation must be provided by an independent organization authorized to do so and must include the Contractual Products and/or Contractual Services. The Supplier has to promptly inform the Company of any potential or actual change of its accreditation, licence, permit and/or authorisation status and the steps that have been taken in that regard.
- 7.2** **Suspension for Non-compliance.** The Company shall be entitled to suspend the performance of the Contract or terminate the Contract for breach if the Supplier breaches its obligation with respect to accreditation, licence, permit and/or authorisation mentioned in Section 7.1.

## 8. QUALITY ASSURANCE, INSPECTIONS

- 8.1** **Quality Management.** By concluding the Contract in accordance with the Sec. 4, the Supplier accepts the Company's quality management system especially Quality Management- Guidelines for Suppliers or/and Logistics Guideline for Supplier and the Company's- Quality Assurance Agreement (QAA) or Warranty Agreement, which has been communicated to the Supplier which may be amended by the Company from time to time. Supplier acknowledges and agrees that it has access to the QAA and to the Company's quality management systems, and the terms of the QAA. Supplier agrees and warrants it shall strictly comply with the terms and conditions specified therein.

For purposes of clarity, the QAA that shall be applied in accordance with this Section 8 shall be the then-current QAA or Warranty Agreement of the Company party that has issued the applicable Letter of Nomination (for example, the HELLA QAA shall apply for any nomination or PO issued by a HELLA Affiliate, and the Forvia QAA for any nomination or PO issued by a non-HELLA Forvia Affiliated Company). The Company will provide a copy of the applicable QAA upon request by the Supplier.

The Supplier shall provide the Contractual Products and/or Contractual Services in conformity with the quality procedure specified in the Contract. The Supplier shall deliver copies of all certificates relating to the Contractual Products and/or Contractual Services and the safety thereof to the Company.



## 9. STATUTES, LAWS, REGULATIONS

### 9.1 The Supplier shall:

- comply with all applicable statutes, international conventions and regulations, including those in the areas of labour, health, safety, and the environment ;
- 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; 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; and
- comply with all requirements and demands of the Company with respect to ethics, social acceptability, and environmental sustainability, whether these obligations have been requested by the Company, by the Customer or agreed between the Company and the Customer;
- in particular, provide its employees involved in the performance of the Contractual Services at Company or Customer's site with a special identification card with photograph, containing the employee's personal details and the employer's name, and shall ensure that employees display said card during their entire stay at Company or Customer's site and also ensure that this obligation is also complied with by any third parties engaged by the Supplier (for any reason whatsoever) in the performance of the Contractual Services, and shall prohibit access to and stay at Company or Customer's site by any person who does not comply with this obligation. The Supplier shall also be liable for any sanctions and, in general, for all costs, charges and/or damages connected with and/or resulting from failure to comply with this provision, undertaking to hold the Company harmless and indemnified.

### 9.2 The Supplier acknowledges that the duties listed in Section 9.1 constitute material contractual obligations.

### 9.3 **Site Health, Safety and Environmental Policies.** Supplier and its personnel performing any Services at Company or Customer's site shall at all times strictly comply with the Health, Safety and Environmental Policies for such site, as well as applicable rules for the site in which they are working as well as the posted and communicated health and safety processes for each site. Supplier shall be responsible for providing its own personal protective equipment ("PPE") for its personnel which meets at least Company's or Customer's minimum requirements for the site for such PPE. Company reserves the right to request Supplier to remove any Supplier personnel who does not adhere to the applicable rules and policies, and Supplier shall replace such personnel at its own cost and expense. Suppliers and their employees agree that FORVIA shall

not in any event be liable for the adequacy of the health safety or environmental measures FORVIA has taken. FORVIA cannot and does not warrant or guarantee that health, safety or environmental measures will protect individuals from injury or death and has based its actions on regulatory requirements. FORVIA reserves the right to modify or add health, safety and environmental measures at each site at any time.

## **9.4 Compliance / Code of Ethics / Conduct**

**9.4.1** In case the Company is a Forvia Company, to the extent legally permissible, the Supplier shall comply with the so called "Forvia Code of Ethics" and "Forvia Code of Conduct" and shall comply therewith in the contractual relationships with its own suppliers, subcontractors, and service providers. The Forvia Code of Ethics has been received by the Supplier and is also available at the URL address below:

[https://www.forvia.com/sites/default/files/2024-02/FAU-C-LSG-2400%20Code%20Of%20Ethics%20EN\\_0.pdf](https://www.forvia.com/sites/default/files/2024-02/FAU-C-LSG-2400%20Code%20Of%20Ethics%20EN_0.pdf)

In case the Company is a HELLA Company, to the extent legally permissible, the Supplier also promises to comply with the so-called "HELLA Code of Conduct" and "HELLA Human Rights Policy" and agrees to comply therewith in the contractual relationships with its own suppliers, subcontractors, and service providers. The HELLA Code of Conduct has been received by the Supplier and is also available at the URL address below:

[https://www.hella.com/hella-fr/assets/media\\_global/Suppliers\\_Code\\_of\\_Conduct\\_English.pdf](https://www.hella.com/hella-fr/assets/media_global/Suppliers_Code_of_Conduct_English.pdf)

Should the Supplier consider that a FORVIA Group employee has not acted in line with the ethical standards of the Forvia Code of Ethics, the Supplier shall inform the Company thereof.

## **9.4.2 Anti-Corruption / Anti-Bribery**

The Supplier warrants that it shall, and shall procure that its affiliated companies, directors, officers, employees, agents, service providers, contractors and any person acting on its behalf, shall, at all times, conduct business in compliance with the Anti-Corruption Laws and trade control laws, including without limitation, not be engaged and will not be engaged in any form of commercial bribery, nor directly or indirectly give, offer to give, or authorise the giving of, anything of value, whether directly or indirectly, to any persons, in order to improperly influence actions or decisions of such persons including for the purpose of obtaining any illegal or improper advantage or to achieve other illegal objectives in connection with these GPCs.



The Supplier represents and warrants that itself, or any of its affiliated companies, has in place policies, procedures and systems designed to ensure compliance with Anti-Corruption Laws.

It is the Supplier's responsibility to cause its subcontractors, vendors, agents or other associated third parties to act according to this provision.

The Supplier shall not engage any subcontractors, vendors, agents or other associated third parties in connection with the performance of these GPCs without: (a) conducting reasonable anti-corruption due diligence before engaging such person and at regular intervals thereafter; and (b) engaging such person on terms which include anti-corruption obligations that are no less onerous than the terms of this Section 9.4.

At the Company's request, the Supplier will certify in writing, without undue delay, its compliance with the foregoing.

For the avoidance of the doubt, non-compliance with and/or breach of this Section 9.4 by the Supplier, shall constitute a material breach of these GPCs by the Supplier and the Company shall be entitled to immediately terminate all agreements existing with the Supplier, and to cancel all negotiations, with immediate effect and without compensation, and without prejudice to any other rights and/or remedies the Company have at law. Any claim by the Contracting Parties regarding liability on this section 9.4 shall be brought no later than three (3) years after the date on which the cause of action arose, unless the law applicable to the Contract or to the claim prohibits any contractual limitation or waiver to the applicable statute of limitation, and therefore the statute of limitation applicable to such a claim shall be the one provided by applicable law.

For the purpose of this Section 9.4, "Anti-Corruption Laws" refer, inter alia, (i) to the Italian criminal code and article 2635 of the Italian civil code; (ii) the Italian Legislative Decree 231/2001; (iii) other specific anti-corruption Italian legislation. Also refer to the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act, the anti-bribery laws of the PRC, the Sapin 2 Law and any other law, rule, convention, regulation or other legally binding measure with similar effect (i.e. related to the prevention of bribery, corruption, fraud or similar or related activities), in each case as amended, to which the Parties are or may be subject from time to time.

### **9.4.3** Anti-Corruption Documentation Measures

At Company's request, Supplier shall furnish Company with a written record of all meetings held (or at Company's discretion, meetings anticipated in the upcoming six (6) months) among Supplier's employees, agents or designees and Government Officials in which Company's business is discussed or to be discussed; such record shall

include, at a minimum: (i) the name of Supplier's representatives, (ii) the name and position of the Government Official (to the extent practicable for upcoming meetings); (iii) the Agenda, (iv) the matter(s) discussed or to be discussed; (v) any written materials shared or to be shared; (vi) any request or offer of payment or other benefit of the parties; and (vii) the detailed expense reports of the Supplier's representatives with all original supporting documentation. For the purpose of this Section 9.5, "Government Official" is defined as any officer, employee or contractor of a government department or agency, any public international agency, or any person acting in any official capacity, or holding themselves out as a representative of the government, department, agency or public international agency.

- 9.5 Conflict minerals.** Supplier represents and warrants that itself, any of its affiliate companies, and its supply chain are currently in compliance, and shall continue to comply, with existing and future law relating to "conflict minerals" as defined by the Dodd-Frank Wall Street Reform Act. At the Company's request, the Supplier will certify in writing, without undue delay, its compliance with the foregoing and shall furnish the Company with certificates of such compliance where required thereunder or when requested by the Company. In the event of failure to comply with this clause, the Company shall have the right to immediately withdraw from or terminate all legal transactions existing with the Supplier, and to cancel all negotiations, with immediate effect and without compensation, and without prejudice to any other remedies the Company may request from the Supplier by law.

## **9.6 Corporate and Environmental Responsibility**

### **9.6.1 Corporate Responsibility**

Upon request, the Supplier complete the Corporate Social Responsibility Assessment using the internet platform provided by FORVIA Group.

### **9.6.2 Environmental Responsibility**

- 9.6.2.1** While performing under the Contract Supplier shall use the necessary resources (materials, energy, and water) efficiently and shall reduce the environmental impact with respect to waste, wastewater, air pollution and noise to a minimum. This also applies to logistics and transportation expenses.

- 9.6.2.2** Supplier shall submit its own CO2 Roadmap towards climate neutrality and upon Company's request provide an update of progress of commitments made in the Roadmap.

The CO2 Roadmap shall include Supplier's commitments based on Greenhouse Gas Protocol or similar recognized and/or certified standards. In particular, it must include the Supplier's commitments regarding:

- Scope 1, direct emissions
- Scope 2, indirect emissions
- Scope 3, all controlled emissions associated with Supplier, for which the Supplier's organization is directly or indirectly responsible, especially up and down its value chain.

In addition, upon Company's request Supplier shall provide data for the Life Cycle Assessment (LCA), relating to Contractual Products and/or Contractual Services or parts thereof (including data about the materials input) according to the data collection format for the LCA provided to the Supplier by the Company.

- 9.6.2.3 Supplier is responsible for registration and where necessary, authorization or notification of chemical substances contained in Contractual Products or Contractual Services in accordance with the statutory requirements that apply to the concerned market (e.g., according to Regulation (EC) No. 1907/2006 (REACH), EU). If a chemical substance being imported falls within the area of applicability of a relevant law, Supplier assumes responsibility for all obligations named above and all associated expenses.
- 9.6.2.4 Supplier must declare to the Company all SVHC-substances (Substances of Very High Concern) within the Contractual Product (including packaging) and Contractual Services, which are in a concentration bigger than 0.1 % percent by weight included. SVHC-substances are in an EU publication list which is subject to change. The Supplier is responsible for monitoring this list and adjusting its disclosure accordantly.
- 9.6.2.5 The Supplier is requested not to use SVHC in Contractual Products and/or Contractual Services and especially mixtures delivered to the Company.
- 9.6.2.6 Supplier shall ensure that all its subcontractors are contractually bound to comply with the terms of this Section 9.5.2.
- 9.6.2.7 The Supplier shall protect biodiversity, and refrain from contributing to deforestation and forest degradation. The Supplier also commits to comply with all relevant laws and regulations with respect to biodiversity and deforestation.
- 9.6.2.8 The Supplier acknowledges the importance of animal welfare and commit to uphold these standards throughout the Contract. The Supplier shall comply with all relevant European animal welfare regulations and standards such as the EU Directive 2010/63. This includes adherence to the 'Five Freedoms' of animals principle, the '3R' principle regarding animal testing (reduction, refinement, replacement), and the standards of the World Organisation for Animal Health (OIE).

## 9.6.3 Management Systems

Supplier shall establish and maintain a certified management system in accordance with the requirements of "ISO 14001" and "ISO 45001" or a recognized and certified management system derived therefrom and provide evidence to the Company by submission of a corresponding certificate.

The certification to these standards must be delivered by accredited certification bodies.

## **9.7 Trade Control**

**9.7.1** The Contracting Parties shall comply without diversion with the applicable European Union, United States, United Kingdom, and any other applicable national export control, sanctions and embargoes laws and regulations (the "**Export Regulations**").

**9.7.2** With respect to the Contractual Products, software or technology that Supplier sells or licenses to the Company, the Supplier shall provide to the Company the information necessary to ensure compliance with Export Regulations. Prior to the order signature date, the Supplier shall identify the Export Regulations applicable to the Order and shall inform the Company:

- (a) if and to the extent the Contractual Products, software or technology are subject to any export/re-export license under US law/US regulations, and ;
- (b) of the relevant classification number applicable (e.g., ECCN - Export Control Classification Number for US products, "Dual-Use-Number" for Contractual Products, software or technology in accordance with the European Dual-Use Regulation, etc.).

**9.7.3** Licenses or other authorizations required for the export of Contractual Products, software or technologies, or to conduct business in sanctioned countries or with sanctioned entities or persons, will be the responsibility of the Supplier, and at no cost to the Company, unless otherwise agreed in writing by the Contractual Parties, in which event the Supplier shall provide all necessary information as may be requested by Forvia to request such licenses or authorizations.

**9.7.4** Without releasing the Supplier from its obligations under the contract or under Export Regulations, the Supplier represents that it maintains an effective export/import control compliance program in accordance with Export regulations, which the Supplier shall provide, free of charge, upon the Company's request.

**9.7.5** The Supplier shall notify the Company if (i) it becomes listed, or if one of its subcontractor becomes listed, as a boycotted company or a company on which an embargo or a sanction-like procedure is imposed; (ii) its export/import privileges or licenses are denied or suspended by any governmental entity; (iii) the Contractual Products, software or technology become restricted under any Export Regulations or (iv) it becomes aware, before or after delivery of the Contractual Products, software or technology, of any actual or alleged violations of Export Regulations.

**9.7.6** The Supplier shall ensure insofar as it is applicable, that the provisions set out in the present article be complied with by its own subcontractors or suppliers. In case of a breach of this obligation, the Supplier shall be liable to the Company irrespective of any limitation of liability provisions that may have been agreed in the Contract. In such a case, the Company shall be entitled to terminate the Contract based on the Supplier's fault, without prejudice to any other rights or remedies that the Company may be entitled to under the contract or applicable laws.

**9.7.7** Should the Supplier fail to meet its trade controls obligations, the Supplier will be bound to compensate for any damage caused to the Company, any member of the FORVIA Group and their customers in connection with the performance of the order or the use or operation of all or part of the supply. Furthermore, the Supplier undertakes to take charge of the defense of the Company, any member of the FORVIA Group and their customers in the event of any action or legal proceedings taken by competent authorities relating to trade controls as well as all consequences, including fees, expenses and damages that may be incurred by them.

## **9.8 Customs**

**9.8.1** The Supplier shall provide to the Company, for each Contractual Products:

- (a) The HS (Harmonized System) code;
- (b) The country of origin, and, upon request of the Company, documents to prove the non-preferential origin / preferential status of the Contractual Products.

**9.8.2** In case of any modification of HS code and country of origin, the Supplier shall provide the updated information as early as possible but not later than 10 days prior to the delivery date. Supplier shall be liable for any expenses and/or damage incurred by the Company due to any breach of these obligations.

**9.8.3** The Supplier established in the European Union shall provide the preferential or non-preferential origin of Contractual Products to be delivered to the Company by means of a Long-Term Supplier's Declaration. Such declaration shall be issued at latest in connection with the first delivery, without prior request from the Company.

**9.8.4** The Company shall be immediately informed in writing of any alterations occurring during the year. The Supplier shall renew the Long-Term Supplier's Declaration prior to the end of its validity, with a validity period of at least one calendar year, without request.

**9.8.5** The responsibility of certifying the origin will be exclusive to the Supplier. In case of non-compliance, partial compliance, or unjustified delay by the Supplier in its aforementioned obligations, the Company reserves the right to claim the Supplier the damages and losses incurred in accordance with the legal and contractual provisions in force.

## **9.9 Artificial Intelligence**

- 9.9.1** The Supplier's work results may only contain AI and the AI Output, if contractually agreed with the Company or if the Company has given its prior written consent.
- 9.9.2** The following basic requirements apply within the meaning of the AI Regulations:
- (a) The Supplier shall ensure that an appropriate and effective risk management system is established, applied, documented and maintained and can be maintained prior to the delivery of the AI Contractual Services to be provided.
  - (b) The Supplier shall ensure that the training, validation and test data sets are relevant, representative, non-discriminatory, error-free and complete with regard to the intended purpose.
  - (c) The delivery of the AI Contractual Services to be provided includes the handover of the technical documentation and the instructions for use, which must always be kept up to date during the term of the Contract.
  - (d) The Supplier shall ensure that the AI Contractual Services to be provided enable automatic recording of processes and events ("**logging**") during operation and the entire life cycle of the AI. This logging must comply with the state of the art, recognised standards and common specifications.
  - (e) The operation of the AI must be sufficiently transparent, comprehensible and explainable by providing information for the Company and the users.
  - (f) The Supplier shall take into account the values of equal access, gender equality, cultural diversity, sustainability and environmental friendliness in the AI Contractual Services to be provided.
  - (g) The Supplier shall ensure that the AI Contractual Services to be provided are developed in such a way that they can be effectively supervised by natural persons and that human supervision is ensured by appropriate measures.
  - (h) The AI Contractual Services to be provided must achieve an appropriate level of accuracy, robustness, general safety and cyber security with regard to their intended purpose and must function consistently in this respect throughout the entire life cycle.
  - (i) Upon request and at the time of delivery of the AI Contractual Services to be provided, the Supplier shall provide the Company with any information, data, data sets, technical documentation and instructions for use that the Company requires in order to fulfil and continue to operate the aforementioned requirements.
- 9.9.3** Insofar as AI Regulations are applicable to the AI Contractual Services to be provided by the Contractor or to the intended use of the AI Contractual Services to be provided, the Contractor shall ensure that they fulfil the requirements of the AI Regulations and are put into operation, used or placed on the market in accordance with the AI Regulations.



**9.9.4** No separate remuneration is owed, but the obligations under paragraphs 9.9.2, 9.9.3 and 9.9.5 are covered by the remuneration for the AI Contractual Services.

**9.9.5** The Supplier shall ensure that the services to be provided do not contain or cause any infringements of property rights; in particular (i) the AI itself, (ii) the development, test and training data and / or (iii) the generated AI Output of the AI Contractual Services to be provided.

## **9.10 Financial reporting**

The Supplier shall provide Company with a copy of its audited and certified annual accounts, consolidated where applicable, each year and/or upon the Company's first request. Should the Supplier encounter or anticipate any financial difficulties, the Supplier shall inform the Company as soon as practicable and shall make its best efforts to implement any measure in order to solve such financial difficulties. Upon request of the Company, the Supplier shall provide reasonable justification in this regard.

## **9.11 Disaster recovery and Business continuity**

The Supplier shall maintain and implement commercially reasonable and industry standard disaster recovery and business continuity procedures to ensure that the Contractual Products and/or Contractual Services are not interrupted

## **10. SUPPLIER'S PERSONNEL**

The Supplier shall be responsible for the monitoring, use, and reasonable payment of all employees, temporary workers, contractors, or other agents that it uses for the purpose of performing the Contract. The Supplier shall only use qualified and appropriately trained agents.

If the Contractual Products and/or Contractual Services are performed in Italy the Supplier undertakes to comply with the labor law relating to legislative decree 81/2008. As an essential condition to the Parties' commitment, the Supplier shall submit to the Company all documents referred to in the legal provisions mentioned in this Section 10, including French translations, as well as certify that any individual involved in the performance of the Contractual Products and/or Contractual Services is employed in accordance with Italian applicable laws and regulations. The Supplier acknowledges that any of the duties mentioned in this Section 10 constitutes a material contractual obligation.

## **11. AUDITS**

**11.1** 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 QAA measures, the Personal Data protection measures and Contractual Products before they are delivered.

- 11.2** 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.
- 11.3** 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.
- 11.4** 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.
- 11.5** If Audits are conducted as a result of problems that relate to the performance of the Contractual Products and/or Contractual Services (quality problems, delivery difficulties, Personal Data breaches, etc.) and for which the Company is not responsible, the Supplier shall be required to reimburse the Company for the reasonable documented costs incurred in connection with the Audit by way of bank transfer within twenty (20) calendar days of receipt of the invoice.
- 11.6** 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. PRODUCTION FLEXIBILITY**

- 12.1** Quantities that may be indicated in an Open Order are given for information purposes only and do not represent a commitment of the Company. The actual quantities shall be specified by Releases. Unless otherwise expressly stated in writing, Company shall not be required to purchase any Contractual Products and/or Contractual Services exclusively from Supplier.
- 12.2** Should the Customer impose an increase in vehicle production for which the Contractual Products and/or Contractual Services are required, the Supplier agrees to fulfil, further to the terms of the Contract, any additional requirements of Contractual Products and/or Contractual Services by the Company, at the agreed Price for the Order and without any extra payment.
- 12.3** Should the Customer impose a reduction or stoppage of vehicle production for which the Contractual Products and/or Contractual Services are required, the Company shall have the right, without any liability whatsoever:



- with respect to production reduction, to adjust the quantities ordered from the Supplier accordingly, without additional cost; and
- with respect to stoppage of production, to terminate the Contract following a prior notification and in accordance with the provisions of Section 25.3.

**12.4** The Supplier shall organize its production in such a way as to permit the Supplier to respond to the circumstances described in this Section 12. Each of the Parties shall bear its own costs resulting from such circumstances.

## **13. DELIVERY**

### **13.1 Delivery Terms**

**13.1.1** Unless otherwise designated in the Purchase Order or the Contract, delivery of the Contractual Products shall be made “**FCA [designated location in country of the Supplier] or DAP [designated location in country of the Company]**” (as that term is defined in Incoterms 2020 Edition). The place and time of delivery shall be stated in the Purchase Order.

**13.1.2** 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.

### **13.2 Packaging**

**13.2.1** 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, any Particular Conditions, and in the Forvia Supplier Logistics Manual and Label Quality Procedure (which can be found on Faurecia's Supplier Portal at <https://www.faurecia.com>).

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

**13.2.3** 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.

### **13.3 Timing**

**13.3.1** 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.

**13.3.2** 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.

**13.3.3** 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.

## **14. ACCEPTANCE OF CONTRACTUAL PRODUCTS AND/OR CONTRACTUAL SERVICES**

**14.1** Following delivery, the Company shall check the Contractual Products with respect to type, quantity and obvious damage and promptly notify the Supplier of any Defects detected. Such notification sent within five (5) business days from delivery shall always be deemed made on time. In addition, the Company shall examine the Contractual Products within the framework of the ordinary production processes and give notice of any Defects promptly after they become known. Additional requirements regarding the incoming goods inspection set forth in provisions of any applicable legal system or the United Nations Convention on the International Sale of Goods shall not be applicable.

**14.2** **Rejection of Contractual Products/ and or Contractual Services.** The Company reserves the right to reject the Contractual Products and/or Contractual Services if:

- (i) at the completion date of the Contractual Products and/or Contractual Services, the Contractual Products and/or Contractual Services are not satisfactory without reservation, by reason of other than immaterial nonconformity or defect; or
- (ii) the Company's reservations have not been withdrawn within the time limits established by the Parties by reason of other than immaterial nonconformity or defect; or
- (iii) the Supplier has failed to comply with the Contractual Products and/or Contractual Services delivery schedule or completion deadlines.

**14.3** **Defective and/or nonconforming Contractual Products or Contractual Services.**

**14.3.1** If any of the Contractual Products or Contractual Services fails to meet the warranties contained in these GPC, the QAA, Particular Conditions, Purchase Orders, Specification, or Customer requirements, any applicable law or regulation or any other written agreement between the Parties, including but not limited to a Statement of Work, the Company shall have at any time, without prejudice, the right to terminate, to claim compensatory damages, and/or the option, to:

- (i) have such Contractual Products repaired or replaced immediately by and at the sole expense of the Supplier, who shall have no right to raise any objections or claims regarding the production or delivery schedule or as to Contractual Services have such Contractual Services performed again immediately by and at the sole expense of the Supplier, who shall have no right to raise any objection; or
- (ii) have such nonconforming Contractual Services performed by a third party designated by the Company, at the sole expense of the Supplier who shall have no right to raise any objection; or
- (iii) have the purchase price for the Contractual Products or payment for Contractual Services promptly refunded promptly upon demand of the Company; or
- (iv) otherwise satisfactorily deal with the defective or nonconforming Contractual Products or Contractual Services (including, to the extent applicable, participation in recall, claims adjustment and other similar programs) in a manner acceptable to the Company in its sole discretion, at the Supplier's sole expense.

**14.3.2** Any rejected Contractual Products must be recovered by the Supplier at its sole expense and risk within eight (8) calendar days following notice of rejection by the Company. It is expressly agreed that after such time, the Company may, without any liability whatsoever, at the Supplier's sole cost, expense and risk, either destroy the rejected Contractual Products, or return them to the Supplier.

**14.3.3** Should the Supplier fail or otherwise be unable to cure any such breach or nonconformity within the time-frame or other parameters required by the Company (and whether or not such time-frame or other parameters are communicated to the Supplier), or such breach or nonconformity is of the nature that may not be cured within the timeframe required or within the other parameters required by the Company, (i) the Company may cancel in whole or part any Purchase Order as to the particular defective or nonconforming Contractual Products and Contractual Services, or (ii) the Company may, in the Company's sole discretion, (and without any obligation to do so), assume control over the correction, repair, replacement or other rectification efforts, processes and programs, in which case the Supplier shall pay or reimburse the Company for all associated costs and expenses (including third party or the Company's internal handling, sorting, segregation/holding, reworking and administrative time, labor and materials). After notice to the Supplier, all defective or nonconforming Contractual Products shall be held at the Supplier's risk. The Company may, and at the Supplier's direction, return such Contractual Products to the Supplier at the Supplier's risk, and all handling, sorting, segregation/holding, and handling charges, as well as transportation, freight and delivery charges (both to and from the

original destination) and any other related expenses, shall be paid by the Supplier. Any payment made by the Company to the Supplier for such defective or nonconforming Contractual Products or Contractual Services shall be immediately refunded by the Supplier, unless and to the extent that the Supplier promptly corrects, repairs, replaces or otherwise satisfactorily corrects such nonconformity. The Supplier's warranties shall also apply to such corrected, repaired, or replaced Contractual Products and Contractual Services.

- 14.4** The Particular Conditions / Purchase Orders may contain additional acceptance processes.

## **15. SPECIFIC REMEDIES FOR DELAY**

- 15.1** The Supplier expressly acknowledges and agrees that if the Supplier is in Default with respect to the timing of delivery of Contractual Products and/or Contractual Services conforming with the present Contract, the Company may request, after the Supplier has been able to explain the reasons of the Default, a penalty for delay in the amount of 0.2 percent (or 0.4 percent in case of serial delivery) of the net Price of the delayed Contractual Products and/or Contractual Services per completed working day, but not more than a total of ten (10) percent of the net Price of the delayed Closed Order or Releases. These penalties shall not affect any of the Company's other rights to claim further damages and/or terminate totally or partially the Contract and/or the relevant Purchase Order and to receive compensation instead of performance of the delivery.
- 15.2** If the Company accepts delivery or performance of the delayed Contractual Products and/or Contractual Services, the Company may request, and the Supplier shall perform the payment of the penalty before the full payment of the Price.

## **16. PRICE, INVOICING AND PAYMENT TERMS**

### **16.1 General provisions**

- 16.1.1** The Company shall pay the Price set forth in the Contract.
- 16.1.2** The Price shall constitute lump-sum remuneration for the Contractual Products and/or Contractual Services and shall cover all costs of the Supplier associated with the rendering of the Contractual Products and/or Contractual Services, including any costs for any Rights of Use to Background and Results, the transfer of Results, transports, administration, tax and other customs duties, ancillary consideration, and quality controls.
- 16.1.3** By dispatching its Order Confirmation or starting to perform the Contractual Products and/or Contractual Services in whole or in part, the Supplier confirms that it has received from the Company all relevant information that it needs for the determination of the Price or that it is aware of such information from other sources. In addition, the Supplier confirms that it is familiar with the circumstances and

peculiarities of the automobile supplier business and has taken them into account in the determination of the Price.

For this reason and subject to the provisions hereinafter, the Price shall be fixed and final. The Supplier shall not be authorised to demand an adjustment of the Price as a result of circumstances or peculiarities, or a lack of information, or the validity of the Contract being questioned, or the Contract being terminated.

Notwithstanding the foregoing, the Price may be adjusted if the Purchase Order already contains a price adjustment mechanism. In all other cases, each Contracting Party may submit to the other Contracting Party a written request for adjustment of the Price supported by written evidence. Within a period of ten (10) calendar days from the receipt of the written request, the Contracting Parties shall meet to discuss in good faith the admissibility of such request, in particular in view of the financial and economic constraints existing at the date of the request (including, but not limited to, the Customer's willingness to support the Price adjustment).

If, following such good faith negotiations, the Contracting Parties cannot agree on the requested price-change, then the request-initiating Contracting Party shall inform the other within eight (8) calendar days following the end of the above negotiation, of its intention to either continue with the performance of the Contractual Products and/or Contractual Services, to terminate the Contract in accordance with Section 25, or to refer the matter to the competent court or institution in accordance with Section 30.

During negotiations and until the end of the notice period for termination and/or until the court or competent institution has made a final and binding decision, the Contractual Products and/or Contractual Services must continue to be performed in accordance with the Contract in force, notably with the Price terms set forth in the Purchase Order.

**16.1.4** The Parties expressly exclude the benefit of Article 1467 of the Italian Civil Code.

## **16.2 Duties and taxes**

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.

## **16.3 Invoicing**

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 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.

## **16.4 Payment terms and conditions**

**16.4.1** 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**).

**16.4.2** 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 Italy. This amount shall be calculated on the overdue payments, without capitalisation, 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.

## **16.5 Set-off**

The Company shall be entitled to set-off the Price or any accounts payable by the Company against any counterclaim against the Supplier.

## **17. WARRANTY**

**17.1** Unless otherwise designated in the Purchase Order or the Letter of Nomination, the limitations period for Defect claims shall be thirty-six (36) months from delivery or acceptance of the respective Contractual Products and/or Contractual Services. Notwithstanding the foregoing, the Contractual Products and/or Contractual Services shall be subject to all warranties, express or implied, provided by applicable law.

**17.2** Supplier represents that it is a professional with expertise in the constraints of the automotive, electronics or other industry for which it is contracted hereunder, particularly in terms of quality, cost availability of materials, labour and lead times. The Supplier agrees that it is knowledgeable and capable of, and shall, in general, comply with the standards and practices of such industry(ies), as practiced by the Company and its Customers. Supplier, which acknowledges it is an expert in its field, shall have an obligation of results and strict liability for its design (if design responsibility has been allocated to the



Supplier), its manufacturing process and its technical choices in the production and fitness of the Contractual Products or Contractual Services for the purpose for which they are intended. Company's acceptance or validation of drawings, processes, specifications or initial samples will in no way reduce the warranty liability of the Supplier

**17.3** The Supplier warrants (as an "*obbligazione di risultato*"):

- that the Contractual Products and/or Contractual Services are suitable for the agreed upon intended use (including, in the case that the Supplier is participating in the design of the Contractual Products, the performance in the component, system, subsystem and vehicle location specified by the Company and the environment in which the Contracted Products are or may reasonably be expected to perform) or – if no intended use has been expressly agreed upon – ordinary use, and is designed to function on a Defect-free basis for the duration of the intended use;
- that the Contractual Products and/or Contractual Services are rendered in accordance with the recognized standards of engineering – unless otherwise designated in the Purchase Order, as well as all applicable statutes and legal requirements;
- that all of the Contractual Products and/or Contractual Services, including Equipment and any special tools, dies, jigs, fixtures, patterns, raw materials and machinery obtained by the Supplier at the Company's expense and/or which are to become the property of the Company under a Purchase Order, shall conform to and fulfil all drawings, specifications, validations, samples and other descriptions furnished, specified or adopted by the Company, hereinafter the foregoing being the "Specifications," shall be merchantable, free from any apparent or hidden defects in design (to the extent designed by the Supplier), material and workmanship, legal and free of all liens, claims and encumbrances whatsoever;
- that the Contractual Products and/or Contractual Services are rendered in conformity with the initial sample, unless otherwise designated in the Purchase Order or the aforementioned documents;
- that the Company shall receive good title to the Contractual Product free and clear of all liens and encumbrances; and
- that the Contractual Products and/or Contractual Services are free of any apparent or hidden Defect ("*vizi occulti*") in material and workmanship.

**17.4 Specific Warranty for the Use of FOSS.**

The Supplier warrants to only use FOSS in or with a Result which is licensed as a license specified in a separate OK List Annex. The use of FOSS, which is subject to license conditions other than those specified in the separate OK list Annex or the use of any FOSS which will trigger a copyleft effect, requires the express prior written consent of the company.

Regarding any FOSS that the Supplier has used during the performance of the Contract (included in any Result or required for the use of any Result), the Supplier warrants:

- that the software in the Results (including the FOSS) and their licenses (including the FOSS Open-Source Licenses) are fit for the Results and for the project's purpose;
- the completeness, the correctness and the accuracy of the information provided in relation to the software in the Results and their licenses (including the FOSS and FOSS Open-Source Licenses) and that it has acted in compliance with the FOSS Open Source Licenses;
- Results. The Supplier shall in particular not use in or with a Result any Copyleft software unless the Supplier has obtained Company's prior written agreement;
- its compliance with the terms of any applicable license, in particular the FOSS Open-Source Licenses with regard to the FOSS, including but not limited to, any requirements for the preservation of the text of the original license and of the "copyright" notices, and where applicable, for the making available to the Company of the corresponding source code in accordance with the applicable license;
- that the FOSS Open-Source Licenses of the FOSS used in the Results do not allow or oblige the Company, its Customers or its distributors to disclose authentication information, cryptographic keys and/or any other information related to the coding of any vehicle control unit;
- the use of an agreeable FOSS tool (Blackduck or Palamida) for the FOSS contained in the Results to avoid the use of FOSS Open-Source Licenses unauthorized by the Company and in particular Copyleft FOSS Open-Source Licenses or Incompatible Licenses; and
- the compatibility between them of the various FOSS used and their compatibility with the proprietary licenses contained in the Results.

**17.5** The Supplier shall, at the request of the Company, actively participate at its own expense in inspections, Audits, discussions, and analyses that relate to the Contractual Products and/or Contractual Services and are initiated by the Company or the Customer.

**17.6** In the event that the Contractual Products and/or Contractual Services does not conform to the foregoing warranties, the Supplier shall, at the request of the Company, repair or replace the Contractual Products or correct or perform again the Contractual Services as soon as possible, and without prejudice to the right of the Company's to claim for potential damages or to terminate the Contract in accordance with Sections 14 and 25. The warranty period set forth in Section 17.1 shall be extended for the period during which the Contractual Products and/or Contractual Services have been unavailable. If the Contractual Products and/or Contractual Services are repaired or replaced, then a new warranty shall run for a new period starting from the end of the repairs or the replacement.



Should the defective delivery result in increased costs for the Company in meeting its own delivery deadlines (for instance costs of sorting out defective Products, increased inspection effort and costs in manufacturing, etc.), these costs shall be borne by the Supplier.

- 17.7** The Company shall be entitled to return defective Contractual Products at the cost of the Supplier or, after previous agreement with the Supplier, to sort out the defective Contractual Products and, if necessary, scrap them at the cost of the Supplier.
- 17.8** Should a recurrent failure make it necessary to replace a whole series of Products or Company' products into which the Contractual Products have been assembled, for instance because an analysis of defects in each individual case is not economical, not possible or not reasonable, the Supplier must also bear the above-mentioned costs also to the part of the affected series that does not show any technical defects.

## **18. SUPPLIER'S LIABILITY AND PARTICIPATION BY THE COMPANY**

- 18.1** The Supplier shall be liable for any damage to the Company and the Forvia Indemnified Parties, direct or indirect, physical, material or immaterial, consequential or not, caused by the Supplier and/or any of its Subcontractors, as well as for any third-party losses (including losses incurred by the Customer) with respect to the Contractual Products and/or Contractual Services and/or the performance of the Contract. The Supplier agrees to release, defend, indemnify, and hold harmless the Company and the Forvia Indemnified Parties, subject to and in proportion to its liability, for any and all Liabilities arising out of such damage or loss, including but not limited to all additional costs invoiced by the Customer to the Company. The Supplier agrees to indemnify, defend and hold harmless the Company or any entity of FORVIA Group, for all costs related to recall campaign, corrective service action or crisis countermeasures initiated by the Company, any entity of FORVIA Group or the Customer which relate to the Contractual Products and/or Contractual Service.
- 18.2** The Supplier, as an expert in its business, shall have full responsibility for its technical decisions, regardless of the level of assistance provided by the Company in the performance of the Contract.
- 18.3** The acceptance by the Company of the initial samples does not release the Supplier from liability for defect, damage or loss, and does not imply acceptance of the Contractual Products and/or Contractual Services delivered and/or to be delivered. Acceptance by the Company of the Contractual Products and/or Contractual Services does not release the Supplier from liability for any hidden or concealed Defect regardless of when discovered, this notwithstanding the transfer of ownership and risks.
- 18.4** The Company's entire liability to the Supplier for any loss, liability or damage, including attorney's fees, for any claim arising out of, or related to the Contractual Products and/or Contractual Services provided to the Company and/or the performance of the Contract, regardless of the form of action, will be limited to the Supplier's actual direct damages and out of pocket expenses which are reasonably incurred by the Supplier and only to the

extent that sufficient and acceptable documentary evidence of such damages is presented to the Company.

- 18.5** Any suggestions that are given or other acts of participation are to be classified as advice or recommendations and are in no way to be understood as definitive or as an instruction. The Supplier shall independently check such recommendations by the Company for plausibility, state of the art, technical discrepancies, substantive correctness, and completeness and adopt them as its own. If the Supplier implements advice or a recommendation although its own review result was negative, the Supplier shall remain fully responsible, unless it was instructed to do so by the Company in writing (including the signatures of two employees of the Company with representative authority).
- 18.6** Suggestions or other acts of participation by the Company shall not release the Supplier from its obligation to render Defect-free Contractual Products and meet all time periods and deadlines.

## **19. INSURANCE**

- 19.1** The Supplier must purchase and maintain at its own costs and expense, commercial general liability insurance from a financially sound and reputable insurance company in order to cover its liability toward the Company, the Customer or any third party under the Contract. This insurance must include coverage for bodily injury, property damage, consequential loss as well as pure financial loss.
- 19.2** The insurance must include coverage for recall actions by the Supplier and third parties (including the Company and/or our Customers). The Supplier shall waive its right of recourse against the Company and/or the Company's insurance company and undertakes to also obtain such a waiver from its insurance company.
- 19.3** The insurance must include a coverage amount of at least Twenty Million Euros (20,000,000 euros) per occurrence and per year for bodily injury, property damage, consequential loss with a sub-limit for pure financial loss and third and first party recall/rip and tear costs of at least Fifteen Million Euros (15,000,000 euros).
- 19.4** The Supplier undertakes to provide the Company with proof of the conclusion of the insurance contract, as well as the premium payments, upon first request.
- 19.5** Keeping the insurance available shall not limit the Supplier's responsibility. This shall also apply to the amount of any compensatory damage obligations of the Supplier.
- 19.6** The Supplier shall be required to promptly inform the Company prior to any change, modification or termination of the insurance policy/ies, regardless of the reason for the change or termination.
- 19.7** The Supplier shall conduct regular audits through its insurer in order to verify the compliance of its installations with local fire prevention regulations and undertakes to implement any necessary measures to mitigate risks highlighted by these audits that may impact the Company. Moreover, upon request of the Company, the Supplier shall provide the Company the reports issued following such audits.

## **20. TRANSFER OF OWNERSHIP AND RISK**

### **20.1 Transfer of ownership**

**20.1.1** Ownership of the Contractual Product shall pass to the Company upon delivery of the Contractual Products as per the provisions of Section 13.1 above, except if otherwise agreed by the Parties in the Contract.

**20.1.2** 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 authorised.

**20.1.3** The Supplier shall not be entitled to reserve ownership of Contractual Products after delivery thereof to the Company without the express consent of the Company, which consent not to be unreasonably withheld.

**20.1.4** The Supplier shall ensure that no reservation of ownership exists on the part of its sub-suppliers or Subcontractors with respect to Contractual Products or portions thereof.

### **20.2 Transfer of risk**

**20.2.1** Delivery of the Contractual Products shall be made FCA to the place stated in the Purchase Order (**Delivery Location**). The Supplier shall bear the risk of destruction or loss of the Contracted Products until they are delivered to the Delivery Location.

**20.2.2** If the Contractual Product is destroyed within one (1) year after it is delivered, for reasons for which the Company is not responsible, the Supplier shall be obligated to produce the Contracted Products again promptly and on a priority basis pursuant to a new Purchase Order to be issued by the Company in accordance with provisions set forth in Section 4. The provisions of the Contract (including the Price) shall be applicable mutatis mutandis to the new Purchase Order.

## **21. INDUSTRIAL AND INTELLECTUAL PROPERTY RIGHTS**

### **21.1 Background**

**21.1.1** Each Contracting Party shall remain the owner of its Background. Use of the Background of the other Contracting Party shall, unless otherwise regulated in Section 21.1.2, only be permissible with the prior written consent of that Contracting Party.

**21.1.2** If the Background of the Supplier is necessary for the use and further development of the Results and/or Contractual Products and Contractual Services, the Supplier shall grant the Company a Right of

Use to its Background. If the Supplier cannot grant the Right of Use to its Background without the assistance of a third party, the Supplier shall reach an agreement with such third party on a Right of Use in favour of the Company.

- 21.1.3** Unless otherwise set forth in the relevant Purchase Order, the grant by the Supplier of the Rights of Use to its Background shall be compensated by the payment of the Price.

## **21.2 Results**

- 21.2.1** All Results shall belong to the Company. As the owner of the Results, the Company may, for all countries, freely use, grant Right(s) of Use, operate or transfer the Results. Use of the Results by the Supplier or third parties shall only be permissible with the prior written consent of the Company.

- 21.2.2** If necessary and legally permissible, the Supplier shall be required to transfer all ownership rights or other Proprietary Rights to the Results to the Company or, if a transfer is not legally permissible, grant the Company a Right of Use of such rights, irrevocable, which shall be exclusive to the extent possible. The Supplier shall undertake the transfer of the Right of Use incrementally as the Results come into existence.

- 21.2.3** Unless otherwise set forth in the relevant Purchase Order, the transfer of the Results shall be compensated by the payment of the Price.

## **21.3 Intellectual and/or Industrial Property Rights of third parties**

- 21.3.1** The Supplier shall ensure that it is not using any Intellectual and/or Industrial Property Rights of third parties (including the Subcontractors) within the framework of the performance of the Contract. For doing so, the Supplier evaluates the Intellectual Property infringement situation to the necessary degree and documents its evaluation. Upon request by the Company, Supplier shall provide a copy of said documentation to the Company.

- 21.3.2** If the Supplier needs to use Intellectual and Industrial Property Rights of third parties, it shall require the prior written consent of the Company, and if authorised, it shall conclude a license agreement with said third parties which should also contain an appropriate Rights of Use in favour of the Company. The Supplier shall bear any royalty payments or other remuneration that is incurred for the use of such Intellectual and Industrial Property Rights of third parties.

- 21.3.3** The Supplier warrants that the use of the Background, the Results and the Contractual Products and/or Contractual Services by the Company do not infringe or will not infringe any Intellectual and Industrial Property of any third party. The Supplier shall release, defend, indemnify and hold the Company and FORVIA Group and the Customer harmless against any Liabilities brought by a third party on the grounds of infringement of Intellectual and Industrial Property

rights or trade secret violation and unfair competition (hereafter "**IP Claims**"). The Company shall notify the Supplier forthwith upon being aware of an IP Claim, and conversely.

The Supplier shall bear all costs, expenses and financial consequences resulting from an IP Claim (including without being limited to legal fees, royalty and license fees, indemnities). At the Company's sole discretion and at the Supplier's sole expense, the Company will decide whether the Supplier or the Company will handle the IP Claim and the Supplier shall provide any support requested by the Company. The Supplier will be responsible for and shall coordinate substantial decisions in relation to the above proceedings with the Company and/or FORVIA Group, in particular, conclusion of settlement agreements, withdrawal of complaints, acknowledgment of claim, etc. The Company shall notify the Supplier forthwith upon being aware of the above actions, and conversely.

**21.3.4** Without prejudice to the Company's right to terminate the Contract and right to claim damages, in case of IP rights infringement, the Supplier undertakes to immediately implement at its sole expense, and at the Company's request and sole discretion, one of the following actions:

- obtain from the relevant third party a Right of Use for the Results and/or the Contractual Products and/or Contractual Services for the Company, FORVIA Group and/or the Customer with no additional cost; and
- replace or modify the Contractual Products and/or Contractual Services within a reasonable time period only to the extent necessary to cease any infringement of the third party's Intellectual and Industrial Property Rights or violation of trade secret, as described in Section 21.3.2.

The Company or the Customer may also decide to obtain directly from the relevant third party a Right of Use for the Results and/or the Contractual Products and/or Contractual Services for the Company, FORVIA Group and/or the Customer. In such case, the Supplier undertakes to bear all costs, expenses and financial consequences resulting from this agreement with the third party (including without being limited to legal fees, royalty and license fees, indemnities).

Promptly upon the Company's request, the Supplier agrees to recover, at its sole expense, any of the Contractual Products and/or Contractual Services stored on any of our sites that the Company is no longer able to use.

## **22. CONFIDENTIALITY**

**22.1** 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.

**22.2** Each of the Contracting Parties undertakes:

- 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.

**22.3** 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.

**22.4** Notwithstanding the provisions of Section 3, if the Contracting Parties have concluded a separate confidentiality agreement, the provisions of the confidentiality agreement shall have priority over this Section 23.

## **23. PERSONAL DATA PROTECTION**

### **23.1 General provisions**

**23.1.1** The Supplier undertakes to comply with the commitments and obligations provided for in this Article and to ensure that the terms of the Contract are respected by its staff, whether permanent or non-permanent, and any Subcontractors, in particular by passing on commitments and obligations similar to those set out below. As such, the Supplier undertakes to ensure that persons authorized to process the Personal Data are trained on Personal Data security issues and have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality.

**23.1.2** For the purpose of Sections 22 and 23, the Company concludes this Contract on its behalf, and in the name and on the behalf of the



Affiliated Companies, as the case may be (where either of such Affiliated Company instead of the Company, would be the Personal Data Controller for the purpose of these Sections). The Parties undertake to process any Personal Data in accordance with laws applicable to the data processing operations and with the "EU General Data Protection Regulation" n°2016/679 when applicable.

**23.1.3** The Supplier is obliged to comply with all data protection provisions applicable and as amended from time to time and will observe these. Supplier commits to enter into an "Agreement for the processing of Personal Data on behalf" if the Supplier is acting as data processor on behalf in the meaning of Art. 4 n° 8 of the "EU General Data Protection Regulation n° 2016/679" (hereinafter referred to as "GDPR"). If the Supplier is processing personal data of the Company in its own responsibility and for its own purposes as controller in the meaning of Art. 4 n° 87 GDPR, the completion of the "Agreement for the processing of Personal Data on behalf" shall be omitted.

## **23.2 Data Security/Cyber Security**

**23.2.1** In order to perform the Contractual Products and/or Contractual Services, the Supplier undertakes to ensure the complete security of the processing of data transmitted by FORVIA or which the Company give access to (Personal Data or not), and in particular to protect them against any accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, in particular where the processing of the data involves the transmission of the data within a network, as well as against any other form of unlawful processing or communication to unauthorized persons.

**23.2.2** For this purpose, the Supplier undertakes to:

- (a) Ensure the security of his information systems in accordance with the "state of the art" and at least sufficient for the performance of the Contractual Products and/or Contractual Services and/or Equipment; and
- (b) Provide the Company with the security policies (physical or logical) set in place and justify to the Company, on first demand, the level of competence and organizational and technological control by producing any recognized qualification, authorization or certification (ISO 27001, etc.), and in particular: technical documentation, the results of yearly risks analysis and tests of the efficiency of the security of the information;
- (c) Encrypt or protect by any others dedicated and efficient means Personal Data stored in accordance with the requirements of the state of the art;
- (d) Implement and maintain appropriate technical and organizational measures and other protections for the proper security of all information, by not loading any Company Confidential Information on any laptop computers or portable

electronic devices or any portable storage media that can be removed from Supplier's premises, unless such Information has been encrypted.

- (e) Secure the exchange of Personal Data (encryption, authentication) with FORVIA or with FORVIA's clients, so that they cannot be exploited by an unauthorized third party.
- (f) Implement protection of password theft or loss or unauthorized access or use of information, including implementation and enforcement of physical security measures at Supplier's premises with respect to access and maintenance of information that are at least equal to industry standards for such types of premises.

**23.2.3** The Supplier undertakes to ensure that all Contractual Products and/or Equipment supplied and/or Contractual Services provided to the Company, be exempt from all the Vulnerabilities (defined as a security breach or a design defect enabling an attack) made public on that date and which may be detrimental to the security of the Company's Personal Data or information system or the Personal Data of the Company's clients or their information systems.

**23.2.4** The Supplier undertakes, as soon as a new Vulnerability in the Contractual Product and/or the Equipment supplied and/or Contractual Service provided has been identified by himself, their Subcontractor, any third party or via a public information, to inform immediately the Company and fill this Vulnerability or set up any other solution for this purpose that does not affect the price, the performances, the functioning of the Contractual Product and/or the Equipment and/or the Contractual Service provided, or the security of the Company's Personal Data or information system or the Personal Data of the Company's clients or their information systems. The solution must be provided by the Supplier as soon as possible considering the type of Vulnerability.

**23.2.5** The Supplier guarantees the traceability and preservation of evidence for at least one year (unless otherwise provided by law) of the actions and the management of the proof of all its obligations regarding the security and confidentiality of the Personal Data.

**23.2.6** In the event of a cyber security incident or data security breach (each, a "Cyber Security Event") that causes any actual or potential breach by Supplier of this Contract, GPC, Particular Conditions or any Purchase Order, including without limitation any delay in supplying the Contractual Products or performing the Contractual Services or access to information, Supplier shall inform Company by telephone call, and by text or email (at [csirt@forvia.com](mailto:csirt@forvia.com)), of such cybersecurity incident, as soon as reasonably possible, but in any event within twenty-four (24) hours of Supplier discovering such Cyber Security Event. Supplier shall (i) Provide Company with a summary of known



information about such Cyber Security Event; (ii) implement required remedial measures to limit and remedy the effects of such Cyber Security Event; (iii) provide specific information about the Cyber Security Event and response upon request by Company; (iv) provide an investigation of root causes vulnerabilities as well as indicators of compromise leading to the Cyber Security Event; (v) within seven (7) days following the completion of such investigation; provide a written report to Company, including a detailed description of the Cyber Security Event; causes leading to such event; how Supplier has mitigated against future events; a timeline of the Cyber Security Event; suspected perpetrators of the Cyber Security Event; the information or access to information may have been affected by such Cyber Security Event; and any financial impact to the Company related to such Cyber Security Event.

**23.2.7** In connection with the above, Supplier shall, at its sole cost and expense, promptly investigate the Cyber Security Event and cooperate fully with Company in its investigation of the same, including by providing access and information to Company, as or when requested by Company. Supplier shall fully implement all required remedial actions identified by Supplier or by Company, to stop such Cyber Security Event from continuing, or prevent a future event, not later than thirty (30) days following the completion of Supplier's investigation of such incident, or such sooner time as is necessary to restore the security and Supplier's performance of obligations under any Purchase Order. Supplier shall provide the Company with the name and contact information of one or more primary security representatives of Supplier who may be reached by Company twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year.

**23.2.8** In the event Company has suffered a loss as a result of any Cyber Security Event in connection with the payment for the Contractual Products or Contractual Services under this Contract, Supplier shall only be entitled to receive payment under the Purchase Order for such Contractual Products and/or Contractual Services only after, and to the extent of, and in proportion to, Company's completion of any and all investigations related thereto and subject to all indemnification obligations of Supplier, and all set-off rights of Company under this Purchase Order.

**23.2.9** Supplier's information systems shall not contain any virus, malware, Trojan Horse, worm, time bomb, spyware, or other computer programming routine, device or code that could reasonably be anticipated to damage, delete, destroy, replicate, lock, disable, hold hostage, or otherwise detrimentally interfere with, surreptitiously intercept or expropriate any system. Supplier shall implement all required measures and other protections to ensure that its information systems do not contain any of the foregoing, including any backdoor or other computer programming routine, device or code that could

adversely affect the security or confidentiality of Company's systems or Information.

**23.3** Where Supplier is trusted with certain Confidential Information either owned by Company or by Company's Customers, Supplier may be required, prior to any disclosure of this kind and where relevant to provide Company a TISAX certification for the applicable scope (or other equivalent industry standard information security certification).

## **24. SAMPLES, PROTOTYPES, TOOLING, PROVIDED MATERIALS**

**24.1** Unless otherwise stated in the Purchase Order the Supplier shall transfer the ownership, title and risks of the Equipment that the Supplier manufactures or causes to be manufactured within the framework of the Contract to the Company. The transfer of ownership, title and risks shall be determined in accordance with Section 20.

### **24.2 Provided Materials and Equipment**

**24.2.1** If the Company makes the Equipment available to the Supplier by way of loan for the purpose of performance of the Contract, the Contracting Parties shall conclude a corresponding loan contract prior to the use of such Equipment by the Supplier. The statutory provisions shall apply, if the Contracting Parties do not conclude a separate loan contract. The Supplier will inform the Company, within a timeframe compatible with the launch of new Equipment, about normal wear and tear that might necessitate the overhaul of said Equipment.

**24.2.2** If the Company makes Materials and Equipment available to the Supplier free of charge these Materials and Equipment shall remain the property of the Company and the Supplier is obliged to examine the Material provided by the Company to detect any defects noticeable by sight without undue delay. The Supplier must also perform a quantity and identification check. Any differences must be reported to the Company within one working day.

**24.3 Non-Use.** Supplier shall be restricted in its use of any Tooling or Equipment such that Supplier may only use such Tooling or Equipment solely for purposes of performing its obligations to the Company or Company's Customer under the applicable Purchase Order. The Provided Materials and/or Equipment may be used only to perform the Contract and may not be sub-loaned, made available to a third party, reproduced, copied, pledged or granted as security. The Supplier will inform the Company, within a timeframe compatible with the launch of new Equipment, about normal wear and tear that might necessitate the overhaul of said Equipment.

**24.4** The Equipment must be fitted with a plate positioned in a visible place which indicates the identification number, the name of the owner of the Equipment, in accordance with details provided by the Company, and the words "Property of FAURECIA" or "Property of HELLA", depending on the FORVIA Company issued the Contract, which may not be sold, transferred, or pledged" at the Supplier's expenses.

**24.5** The processing of the Materials provided by the Company takes place always on behalf of the Company. If the value of the Materials provided by the Company exceeds the value of the processing and – if applicable – of the other components of the newly manufactured objects, the newly manufactured objects shall become the property of the Company and otherwise they shall be jointly owned by the Company and the Supplier in the ratio of the provided material to the value of the processing and the other components. For the avoidance of doubt: The aforesaid shall by no means restrict the obligation of the Supplier to provide the Company with the unrestricted ownership, free from encumbrances whatsoever, with delivery of the Products.

**24.6** As the custodian of the Provided Materials and/or Equipment, the Supplier will protect the Provided Materials and/or Equipment against the risks of loss, theft, damage or destruction. As a prudent and careful user, the Supplier will keep the Provided Materials and/or Equipment in good working order and will be responsible for any extraordinary wear and tear or deviations in the manufacturing process. The Supplier will inform the Company, within a timeframe compatible with the launch of new Equipment, about normal wear and tear that might necessitate the overhaul of said Equipment. The Supplier will take out all necessary insurance to cover the replacement value of the Equipment, as well as liability insurance policies against damage that the Equipment may cause to third parties. The Supplier will provide proof of insurance at least once a year during the term of the Contract.

## **25. TERMINATION**

### **25.1 Ordinary termination**

**25.1.1** The Company shall be entitled to terminate this Contract partially or entirely in writing by letter with acknowledgment of receipt at any time without a statement of grounds with a reasonable termination notice period of at least three (3) months.

**25.1.2** The Supplier shall only be entitled to terminate unlimited-term Open Orders in writing at any time without a statement of grounds with a termination notice period of at least twelve (12) months. In the case of serial delivery, this right of termination shall not be permitted if the time span between the end of the Contract and the expected end of serial delivery (EOP) is less than two (2) years. The duty to provide substitute delivery of replacement parts shall not be reflected in the calculation of the time span.

**25.1.3** In case of termination, Supplier shall:

- (a) stop work on the termination date to the extent specified in the notice and terminate all orders and subcontracts to the extent they relate to the terminated work,
- (b) comply with Company's instructions regarding the protection, transfer, and disposition of title to and possession of such work and materials.

### **25.2 Termination in the event of breach of contract**

If the Supplier breaches material provisions of the Contract, in the event such breach is remediable, the Company will ask the Supplier in writing by letter with acknowledgement of receipt to cease the breach and to remedy its substantial consequences, in particular by taking (i) adequate measures to secure performance of the Contract and (ii) all other required appropriate corrective actions within a reasonable period of time.

The Company shall be entitled to terminate the Contract after the expiration of the said time period of time if the Supplier has failed to implement such measures and corrective actions.

## **25.3 Termination due to Customer Termination**

**25.3.1** If for any reason whatsoever, the Customer does not award the Company for the program for which the Contract is entered into, the Company shall be entitled to terminate the Contract by letter with acknowledgment of receipt. Such termination shall take effect immediately upon receipt of the notice of termination, unless otherwise provided by mandatory law.

**25.3.2** If for any reason whatsoever, the Customer ends the delivery contract with the Company for the program for which the Contract is entered into, the Company shall be entitled to terminate the Contract by letter with acknowledgment of receipt. The notice period shall be three (3) months following receipt of the letter, however, in no event shall it be longer than the notice period that the Customer must comply with under the delivery contract.

## **25.4 Termination for prolonged Force Majeure**

If the performance of the Contract is prevented or suspended by reason of an event of Force Majeure and such suspension lasts for more than two (2) continuous months, the Contracting Party not prevented by the event of Force Majeure from executing its contractual duties may terminate the Contract without any liability whatsoever and without any payment or compensation, upon written notice by letter with acknowledgment of receipt to the prevented Contracting Party. Such termination shall take effect immediately upon receipt of the notice of termination.

## **25.5 Termination in the event of "Change of Control"**

The Company shall be entitled to terminate the Contract in writing by letter with acknowledgment of receipt with a reasonable notice period, if subsequent to the effective date of the Contract, a third party directly or indirectly assumes control of the Supplier. "Control" within the meaning of this Section shall mean that a third party directly or indirectly obtains at least fifty percent (50%) of the shares or voting rights at the shareholders' meeting and/or any decision-making corporate body of the Supplier.

## **25.6 Termination in the event of changes of Products or Services**

The Company shall be entitled to terminate this Contract partially or entirely in writing by letter with acknowledgment of receipt, with a termination notice period of at least 15 (fifteen) days, in case, the Contracting Parties do not

reach an agreement with respect to all necessary changes to the Contractual Products and/or Contractual Services, as provided for in Section 5.3.3.

## 26. CONSEQUENCES OF THE EXPIRATION OR TERMINATION OF THE CONTRACT

Provisions of the Contract that, by their nature, extend beyond the end of the Contract shall remain valid after the end of the Contract. This shall apply regardless of the reason for which the Contract comes to an end.

Upon termination of the Contract for any reason and against reasonable consideration, the Supplier shall immediately, upon demand by the Company, deliver to the Company all inventories of raw materials and parts, work-in-process and/or finished Contractual Products and/or any related safety equipment used in the performance of the Contract, and which are in its possession at the effective date of termination.

## 27. SPARE PARTS

### 27.1 Delivery Obligation

**27.1.1** The Supplier agrees to supply 100% of the Spare Parts according to the terms of the Contract to the Company and its Affiliated Companies to meet their needs during serial production and after EOP -here and in the following understood as last series vehicle application of the Customer Product for a further period of 15 years.

**27.1.2** Without limiting the foregoing, the Supplier shall supply the Spare Parts at any time on simple request of the Company and throughout the term for the additional period during which the Customer is likely to order spare parts from the Company (e.g., 30 years for authorities).

**27.1.3** Supplier must actively notify Company about the end of contractual delivery obligation 12 months in advance and must offer one last delivery as all-time buy at conditions valid at time of request. Otherwise, delivery obligation is prolonged for 12 months to allow Company to agree on an all-time buy.

**27.1.4** Supplier needs to ensure that the obligations towards the Company referred to in this Section **Erreur ! Source du renvoi introuvable.** will be fulfilled by their suppliers to ensure supply to the Company (e.g., 15- or 30-year supply obligation). The Supplier is liable for any commercial damage out of non-compliance with contractual obligations (such as night, and weekend shifts, charges by Customers (e.g., rental car charges of vehicles off road)). For the period after EOP, Company may support with forecasts for planning purposes, yet, unless otherwise agreed by the Company in written, forecasts are never to be interpreted as binding.

**27.1.5** For 100% of Spare Parts after EOP the same contractual agreements apply as before EOP (e.g., the Supplier is expected to produce in lot size optimized production batches based on rolling releases for the following 6 months). In case of unpaired demands and paired tooling, supplier may notify Company about rolling 12 months sum unbalance

requesting scrapping approval. Supplier forfeited the right to request raw material scrapping approval (if material cannot be reused) and compensation if not done on a 12-month base during project lifetime. Supplier may request compensation for overstock for the parts produced in 6-month time frame at end of product lifecycle. Minimum order quantity is smallest packaging unit of packaging approved by Company.

## **27.2 Price**

### **27.2.1 Price Validity**

27.2.1.1 During serial production until EOP of the Customer Product, the price for Spare Parts will be not higher than the agreed price for the Product specified in the Purchase Order, also considering commercial agreements (e.g. rebates).

27.2.1.2 The price for components of Products used as Spare Parts will be not higher than the Supplier's actual production or acquisition cost. In no case, however, the total price of all components of the Products will exceed the current Purchase Order price less assembly costs.

27.2.1.3 Supplier shall maintain the last Purchase Order price less any amortization for at least 5 years (but not less than the agreed warranty period for the Product) after EOP of the Customer Product. Potential cost increases in this period have to be agreed within the Letter of Nomination to be valid.

### **27.2.2 Price Changes**

If the Supplier believes a change in pricing for Spare Parts after the period acc. to Section 27.2.1.3 is justified (up or down), a price change request may be submitted to the Company as follows:

- The Company must be informed 9 months before the following calendar year, with earliest price validity starting 1st of January of the following calendar year.
- The Supplier's request is limited to significant and ongoing changes in component, raw material costs, or manufacturing costs.
- Supplier is obliged to provide detailed cost comparison between pre and post EOP phase with burden, selling, general and administrative expenses and profit values being the same as for serial production. Set-up efforts must be stated separately.
- Supplier will provide actual invoices, published price changes, price change requests from Suppliers, all relevant sales information, evidence of actions taken to mitigate price increases, and other information reasonably requested by the Company (e.g., cost break downs, base figures for hourly/machine rates, set up efforts) to substantiate the



requested price change. The Parties will negotiate in good faith any price change and not arbitrarily delay an agreement.

- Mutually agreed price changes will become effective after recovery of all backorders and not applied retroactively.
- The Supplier will continue to ship according to the Company's requirements under the current Purchase Order during these pricing negotiations.

## **27.3 Tooling**

**27.3.1** The Supplier agrees to maintain in good condition all tools and equipment necessary to produce Spare Parts, and all corresponding drawings, designs and manufacturing processes until the end of the period of time mentioned in Section 27.1.

**27.3.2** Prior EOP, Supplier must check amortization status and if own and Company provided tooling can supply entire service lifetime after EOP. Potential claims (e.g., tool repair) must be requested 6 months prior to EOP and no later.

**27.3.3** Supplier is not entitled to sell Company's drawing parts to other parties than Company and its Affiliates without explicit written approval by Company. If doing so, licensing and tooling fees apply. In case of third-party business Supplier must bear all tool related costs and the Company will not compensate any repair costs at EOP and after.

**27.3.4** All other associated costs with machines and tooling, such as maintenance, repair and re-qualification costs, are already incorporated in the piece price.

## **27.4 Compliance**

The Supplier has the same contractual responsibility for 100% of Spare Parts after EOP as in current series vehicle application and has responsibility for all associated expenses. Supplier will provide any most recent legal and/or material compliance documentation valid at time of the request required by the Company and the Customers to sell or import Spare Parts for any applicable market the parts are sold into and warrants compliance with all regulations.

## **27.5 IMDS**

The contents of the Spare Parts must be entered and maintained up to date to latest standard in IMDS also after EOP as long as the Products are offered in any market.

## **27.6 Shelf-life**

Supplier must provide shelf-life information on individual labeled packaging units as well as applicable documentation and storage environment requirements in case of an all-time buy.

## **27.7 Termination Survival**



- 27.7.1** Section **Erreur ! Source du renvoi introuvable.** is applicable to future business, current business if agreed so and in case of any condition changes of past and current business (e.g., new prices).
- 27.7.2** Unless otherwise agreed in writing, or unless Company removes Tooling from Supplier, Supplier's obligations under this Section **Erreur ! Source du renvoi introuvable.** shall survive termination or expiration of the Contract for any reason.

## **28. FORCE MAJEURE; EXCUSABLE DELAY**

- 28.1** 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.
- 28.2** 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.
- 28.3** 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.
- 28.4** 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.
- 28.5** 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.

## **29. COMPANY'S WEBSITE**

- 29.1** Company's internet website (or such other website as may be directed through links on Company's website, or other supplier portal provided by Company) (the "Company Website") may contain specific additional requirements for certain items covered by the Purchase Orders, including supply chain and logistics, labelling, packaging, shipping, delivery and quality specifications, procedures, directions and/or instructions. Any such requirements shall be deemed to form part of this Contract and apply to the Purchase Order. Company may periodically update such requirements by posting revisions on Company's Website.
- 29.2** Company may modify the Purchase Order terms, GPC, QAA, Code of Conduct, Particular Conditions or this Contract from time to time by posting revised terms to Company's Website. Such revised terms shall apply to all Purchase Orders and Purchase Order revisions issued on or after the effective date of Company's posting of the modified terms and conditions. Supplier agrees that it is Supplier's obligation to review Company's Website periodically and waives notice of any updates to the Contract, or Purchase Order, other than as such updated terms may be posted on the Company's website.

## **30. APPLICABLE LAW - JURISDICTION**

- Italian substantive law shall apply excluding the provisions on conflicts of law and with exclusion of the provisions of the United Nations Convention on the International Sale of Goods shall not apply to the Contract.
- 30.1** The Contracting Parties shall endeavour to amicably resolve differences of opinion with respect notably to the interpretation, performance or termination of the Contract prior to bringing a complaint or initiating an arbitration proceeding.
- 30.2** The Contracting Parties agree that disputes, even in case of warranty claim or multiple defendants, not resolved amicably within sixty (60) calendar days shall be exclusively filed before the Court of Milan, Italy.

## **31. GENERAL PROVISIONS**

### **31.1 Subcontractors**

The Supplier shall only be permitted to use Subcontractors to render Contractual Products and/or Contractual Services or portions thereof with the prior written consent of the Company. The Supplier shall be required to contractually and organizationally ensure that the Subcontractors are properly trained and comply with the provisions of the Contract (particularly the non-disclosure obligation).

Consent by the Company shall not limit the liability of the Supplier. The Supplier shall be liable on an unrestricted basis for the acts and omissions of the Subcontractor.

### **31.2 Assignment of claims**

The Supplier shall not be entitled to assign claims arising from this Contract to third parties without the prior written consent of the Company. The Company may not unfairly deny consent. If an extended reservation of title of a contractor/supplier of the Supplier is present, consent shall be deemed to be given following separate written notice (a notice on the delivery note or on an invoice shall not suffice). If the Supplier assigns its claims against the Company without the necessary consent, the Company can, at its discretion, render performance to the Supplier or the relevant third party with obligation-discharging effect.

### **31.3 Set-off and retention**

The Supplier shall only be entitled to set-off any claims against the Company, if such claims have been acknowledged by the Company or judicially established. This shall apply mutatis mutandis to rights of retention of the Supplier.

### **31.4 Relationship of the Contracting Parties**

If not explicitly agreed differently in writing, the Contract should not be interpreted as:

- constituting a de facto company, a joint venture, an agency, a foundation, or any other association of any kind between the Contracting Parties; or
- constituting a joint and several liability between the Company and the Affiliated Companies or between the Affiliated Companies among themselves; or
- permitting to one of the Contracting Parties, towards a third party, to act or to declare itself as having the authority to act as an agent, a representative, or by any other means, to commit or to bind the other Party at any obligation; or
- constituting an exclusive engagement, profiting to the Supplier for the delivery of the Contractual Products and Contractual Services.

### **31.5 Transfer of the Contract**

The Company is entitled to assign in whole or in part this Contract to its Affiliated Companies or to any third party that acquires the relevant portion of the Company or of its Affiliated Companies. The Supplier shall be entitled to terminate the Contract within a reasonable period after the transfer thereof, if the Supplier proves facts, on the basis of which it appears highly probable that the third party cannot perform the contractual duties of the Contract on a sustained basis.

The Supplier shall be entitled to assign this Contract in whole or in part subject to the prior authorisation of the Company.

### **31.6 Severability clause**

Should any provision of the Contract be void, invalid, illegal, unenforceable, or in violation of any applicable laws, by virtue of a judicial decision, arbitration award, competition regulatory body's decision, or any other

regulatory bodies' decision, or under any applicable laws, the provision of the Contract thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the laws, and all other provisions of this Contract not affected or impaired shall remain in full force and effect. The Parties are in such event obligated to renegotiate in good faith and replace such void, invalid, illegal, unenforceable provision or provision in violation of the applicable laws, by a valid provision as nearly as possible to the original intention of the Parties in accordance with the applicable laws.

## **31.7 Dates and Working Days**

Unless otherwise regulated,

- all dates shall be subject to the Gregorian calendar;
- working days shall be all week days 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.

## **31.8 No waiver**

The fact that one of the Contracting Parties does not use a right arising from this Contract or by statute at any point in time or demand the use of such right by the other Contracting Party shall not constitute waiver of the use of such right. The Contracting Party shall be entitled to continue to assert such rights.