

INDIRECT MATERIAL GENERAL PURCHASING CONDITIONS FOR GOODS (“IMGPCG”)

FOR PURCHASE ORDERS SUBMITTED AFTER JUNE 01, 2022

KONGSBERG AUTOMOTIVE

§ 1: General; Offer and Acceptance of Contract

1.1 These terms and conditions (“**Conditions**”) shall apply to all orders or requests for Goods (“**Purchase Order**”) issued by the affiliate or subsidiary of Kongsberg Automotive ASA (such entity, “**Buyer**”) in response to which the Supplier provides Goods to Buyer. Other terms and conditions (including Supplier’s standard terms and conditions of Sale or the equivalent) shall not apply to the Purchase Orders unless expressly set forth herein or in another duly executed written agreement between the parties. The Supplier’s execution or commencement of work or delivery pursuant to the Purchase Order shall constitute acceptance of the Purchase Order and these Conditions and a waiver by the Supplier of its own general terms and conditions of sale contained in its quotation, acknowledgement or acceptance of the Purchase Order or similar documents. No addition to or variation or exclusion of these Conditions shall be binding on Buyer unless expressly agreed in writing by an authorized signatory of Buyer.

§ 2: The Goods

2.1 The goods to be delivered shall be defined and described in the Purchase Order (the “**Goods**”), which also includes the purchase price, the quantities to be delivered, applicable standards, packaging, etc.

§ 3: Time and Place of Delivery

- 3.1 The Goods shall be delivered at times or according to call offs issued by Buyer from time to time. The Goods shall unless otherwise agreed be delivered DDP Incoterms 2010, at the office address of the Buyer or other place designated by the Buyer in the Purchase Order.
- 3.2 Unless the Purchase Order requires Supplier to manufacture, ship and/or provide a specified quantity of Goods, the Purchase Order shall be deemed a requirements contract, under which Supplier is required to supply Buyer’s requirements which shall be defined as those quantities ordered by Buyer from time to time as described in the delivery schedules issued by Buyer from time to time. The Supplier is obligated to provide Goods to Buyer in at least the quantity and for at least the period specified in any delivery schedules, and Buyer shall have no obligation or liability beyond the quantity specified as firm in such delivery schedules. Any projected or estimated volumes provided by the Buyer to Supplier (including forecasted volumes in any requests for quotation) are for planning purposes only and do not represent a commitment or obligation to purchase the estimated or forecasted volumes. Buyer shall have the right to obtain any portion of the Goods from other sources.
- 3.3 The Supplier has acknowledged that time is of the essence and that it is of outmost importance that the Goods are delivered accurately at the agreed time with the agreed quantity. The Buyer may reject Goods that are delivered earlier or later than the agreed date of delivery or if Goods are delivered with quantities in excess of what is agreed.

§ 4: Price and Payment

- 4.1 The prices for the Goods set forth in the Purchase Order are firm and shall not be subject to any increase from the Supplier without Buyer’s prior written consent.
- 4.2 Unless otherwise specified on the Purchase Order, Buyer shall pay the invoiced amounts within thirty (30) days after receipt of the invoice to a bank account nominated in writing by the Supplier.
- 4.3 In the event that invoice is incorrect or lacks appropriate details of the delivered Goods, Buyer shall be entitled to withhold the part of the invoiced amount that is disputed provided that a notice is submitted within the date when the invoiced amount otherwise would fall due for payment stating the reason for withholding of the disputed amount in reasonable detail.

§ 5: Warranties

- 5.1 The Supplier warrants that:
- All Goods shall conform with all drawings, descriptions and specifications, shall conform with any and all performance specifications stated or referred to by the Supplier, shall be of satisfactory quality and fit for their intended uses and free from all defects, apparent or hidden, including, but not limited to, defects in design, materials and workmanship and defects resulting in poor performance of the Goods; and
 - the Supplier shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the Goods including, but not limited to, all the applicable safety, environmental and export regulations of the United States, European Union and all other applicable countries and regions; and
- 5.2 The duration of the warranty period shall be of 36 months from delivery to Buyer. This warranty shall apply equally to any replacement, repair or substitute or remedial Goods provided by the Supplier.
- 5.3 The Supplier waives any plea of delayed notifications of defects. Buyer’s input into the design, drawing, material, process or specifications for the Products, or any approval thereof, does not relieve Supplier of its obligations under these Conditions.

§ 6: Delay in delivery

- 6.1 In the event that the Supplier has reason to believe that the Goods will be likely to be delayed, Supplier shall immediately notify Buyer of the delay and indicate a revised time of delivery. The Buyer may in such event order expedited delivery at the cost of Supplier, hereunder that the Goods shall be sent by airfreight.
- 6.2 The Buyer shall further in the event of delay in delivery be entitled to liquidated damages for delay amounting to 1.5% of the Purchase Price of the delayed part of the Goods for each

day of delay up to a maximum of 20% of the Purchase Price of the delayed Goods.

- 6.3 The Buyer shall further be entitled to damages in the event of delay in delivery covering losses and costs incurred as a direct consequence of the delay, hereunder extra costs incurred by purchasing similar goods from a third party and damages and compensation paid to Buyer's customers due to delay in Buyer's deliveries. Any liquidated damages that may be paid by the Supplier further to this article 6.3 shall be deducted from damages according to article 6.2.
- 6.4 For the event that delay in delivery lasts more than 20 days, the Buyer shall be entitled to withdraw the Purchase Order with immediate effect by written notification to Supplier. Withdrawal shall not affect Buyer's right to damages and liquidated damages according to articles 6.2, 6.3 and 7.

§ 7: Defects in Quality

- 7.1 Goods that at delivery do not fulfil the contractual requirements with regard to quality according to article 5 above are considered defective (the "Defective Goods").
- 7.2 The Buyer may reject any Defective Goods.
- 7.3 The Supplier shall on the Buyer's demand rectify or re-deliver any Defective Goods at its own cost.
- 7.4 The Buyer shall further be entitled to damages covering losses and costs incurred as a direct consequence of the default hereunder extra costs incurred by purchasing similar goods from a third party and damages and compensation paid to Buyer's customers due to the Defective Goods.
- 7.5 For the event that the Supplier fails to re-deliver or to rectify any Defective Goods within 14 days from the date when Buyer notifies Supplier about the Defective Goods, Buyer may by written notification to the Supplier withdraw the Purchase Order with immediate effect.

§ 8: Indemnification

- 8.1 The Supplier shall keep Buyer indemnified in full against all liabilities (which include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), loss, damage, costs and expenses awarded against or incurred or paid by buyer as a result of or in connection with:
- the Supplier's failure to perform its warranty obligations;
 - any infringement or alleged infringement of any intellectual property rights caused by any kind of uses, including, but not limited to, the offer, manufacture or supply of the Goods; and
 - any claim made against Buyer in respect of any liability, loss, damage, injury, cost or expense sustained by Buyer's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the delivered Products as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the Supplier's obligations under the Order or these Conditions (e.g. any delivery delay or claim against Buyer in connection with a recall campaign caused by defective Products or the replacement of such defective Products or the consequences of defective Products to other parts or to individuals).

- 8.2 The Supplier shall indemnify and hold the Buyer harmless from any product liability claim, loss, damages or cost including damage to property, bodily injury to any person or loss of life caused by the Goods.
- 8.3 The Supplier shall indemnify and hold the Buyer harmless from any claim cost loss or damages on basis that the Goods infringe any intellectual property of a third party.
- 8.4 Supplier's obligation to indemnify Buyer is conditional upon Buyer notifying Supplier without undue delay of any claims, costs and losses as mentioned in article 8.1 and 8.2 above. The Buyer may not enter into any form of settlement or similar agreement with any third party regarding any that are subject to indemnification mentioned in article 8.1-8.2 above without Supplier's prior written consent.

§ 9: Force Majeure

- 9.1 Neither Party shall be liable for, nor shall it be considered in breach of these Conditions due to any failure to perform its obligations under the Conditions to the extent that performance is hindered by a cause beyond its control, which was not foreseeable when Purchase Order was accepted and which is not possible to overcome by the use of reasonable means hereunder including but not limited to: any act of God or a public enemy or terrorist and measures taken by any authority to prevent or fight acts of terrorism, act of any military, civil or regulatory authority, fire, flood, earthquake, storm or other similar natural disasters.
- 9.2 The Party claiming to be affected by Force Majeure shall notify the other Party in writing without delay of any event of Force Majeure or circumstances that with likelihood can develop into a force majeure situation.
- 9.3 Both Parties may terminate the Purchase Order by written notification with immediate effect if the Force Majeure situation lasts in excess of 30 days.
- 9.4 Each Party carries its own costs and losses incurred by the force majeure situation.

§ 10: KA Code of Conduct

- 10.1 Supplier has familiarized itself with Kongsberg Automotive's Code of Conduct and undertakes to fully comply with it in Supplier's dealings with the Buyer. Supplier will further be requested to sign Kongsberg Automotive's Supplier Declaration and accepts that failure to comply will be considered as substantial breach of these Conditions and that Buyer may terminate the Purchase Order in full or in part with immediate effect for such breach.

§ 11: Term

- 11.1 The term of the Purchase Order shall unless otherwise agreed in writing run from the day of execution for an initial period of two years (the "Initial Period") whereafter it shall be prolonged for subsequent consecutive one year periods unless it is terminated by either Party by written notification to the other Party served no later than a date which is three months prior to expiration of the Initial Period or a later one year period as the case may be.

§ 12: Parties to the supply relationship

- 12.1 Supplier agrees that all group companies in KA shall be entitled to purchase goods at the same prices and terms and conditions as agreed in the Purchase Order. The obligation to fulfil the specific Purchase Order shall however rest exclusively with the contracting KA company.

§ 13: Law and Dispute Resolution

- 13.1 The Purchase Order and the Terms shall be exclusively governed by the laws of the country where the Buyer is domiciled.
- 13.2 Each of the parties irrevocably agrees that the courts where the Buyer is domiciled shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and/or to settle any disputes, which may arise out of or in connection with the Purchase Order or these Conditions or its formation or validity.