

1. Applicability and Scope

1.1 These General Terms and Conditions of Purchase ("**Purchase Terms**") of Nidec ("**Nidec**") shall exclusively apply to all of Nidec's enquires and purchases, including purchases of products, parts, materials (also raw materials) etc. ("**Parts**"). These Purchase Terms shall also apply to any purchase of spare parts, work performances and other services.

1.2 Supplier's general terms and conditions of sale and delivery or other deviating terms of Supplier are not applicable unless Nidec has explicitly accepted them in writing. These Purchase Terms will also apply in all cases in which Nidec accepts Supplier's deliveries without objecting to terms and conditions of the Supplier that deviate from these Purchase Terms (whether or not Nidec is aware of such terms). Nidec hereby expressly objects to all references or notifications by Supplier regarding the application of its general terms and conditions of sale and delivery (e.g., in offers) or other differing terms. These Purchase Terms also apply to all future transactions of Nidec with Supplier.

1.3 In addition, the Nidec Supplier Manual ("**Supplier Manual**") including its annexes and related documents in the most recent version in place upon the relevant order by Nidec shall apply, a copy of which is available at the Nidec AMEC PP (AMEC Purchasing Portal).

2. Orders

2.1 All enquiries of Nidec with Supplier about Supplier's Parts and terms of their delivery or Nidec's requests for quotations by Supplier do not legally bind Nidec in any way.

2.2 A binding agreement for the delivery of Parts by the Supplier incorporating these Purchase Terms shall come into effect based on (i) in the case of series parts, the conclusion of project-related individual supply agreement between Nidec and Supplier ("**Letter of Nomination**") or (ii) in all other cases (e.g. tools, prototypes etc.) a single purchase order ("**Single Purchase Order**") issued by Nidec to the Supplier. ((i) and (ii) also jointly referred to hereinafter as "Supply Agreement "). For the avoidance of doubt, the relevant contracting Party shall be the respective Nidec company named in the Supply Agreement. The concrete delivery obligation concerning series parts based on a Letter of Nomination will be specified in and will come into effect upon calls for delivery ("**Call-offs**"). Details are set out in Clause 3.

2.3 In the event of discrepancies between the Supply Agreement and the further contractual documents incorporated into the contractual relationship between Supplier and Nidec, these documents shall apply in the following order: (i) In case of delivery of serial parts: Project-related Letter of Nomination (including Call-offs), these Purchase Terms, Supplier Manual (ii) In all other cases: Single Purchase Order. these Purchase Terms, Supplier Manual.

3. Production and Material Releases and Forecasts

3.1 Supplier is entitled to produce those Parts stated in the column "Production Release" in a Call-off. Nidec, however, is under no circumstances obliged to call off or accept in a later Call-off the Parts that are not listed in the relevant Production Release and Material Release of the relevant Call-off.

3.2 Supplier is entitled to buy raw materials and/or semi-finished products pursuant to the relevant information in the column "**Material Release**" in a Call-off. Where no information on the Material Release is to be found in a Call-off, the following shall apply: eight (8) weeks in case of agreed sea shipment and otherwise four (4) weeks, in each case as of the date of the Call-off.

3.3 Furthermore Nidec shall send a non-binding forecast of the anticipated Call-offs for the following months with each Call-off. Supplier is obliged to keep sufficient production and delivery capacities on hand to satisfy these anticipated Call-offs; Supplier must accept and be able to satisfy all of the received Call-offs on the basis of these forecasts.

3.4 Should Supplier determine upon receiving and duly reviewing a Call-off that it is unable to meet the stated piece numbers in the Production Release, Material Release and/or forecast of the anticipated future Call-offs, Supplier is obliged to object to the Call-off within 24h upon its receipt in writing. If Supplier does not object on time, the Production Release and Material Release in a Call-off shall be binding for Supplier.

3.5 The forecasts contained in the Call-offs shall continue to apply until Nidec sends the Supplier a new Call-off with a forecast.

4. Prices, Terms of Payment, Retention of title

4.1 The binding prices and payment terms are set out in the Supply Agreement. The prices are fixed prices and constitute the total prices for manufacturing and delivering Parts. VAT in the statutory amount is not included in the price and shall be charged separately.

4.2 Nidec will pay the invoiced amount within 60 days net, provided no other payment term is agreed between the Parties. This payment period shall commence on the date of the receipt of the invoice, but not before the completed delivery of the Parts at Nidec. If the payment date falls on a weekend or holiday, payment shall be made on the next working day. The fees incurred for international payment transactions shall be borne by Supplier.

4.3 Unless credit / payment offset procedures have been agreed with the Supplier, invoices can be processed by Nidec only if they state – in accordance with the requirements in the Supply Agreement – the order number and the article number as quoted in the Supply Agreement as well as in the case of tools or investment products the respective project number; the Supplier shall be responsible for all consequences resulting from the failure to comply with this obligation provided it was at fault.

4.4 Supplier may assign its claims under delivery relationships with Nidec only with the prior written consent of Nidec. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, Supplier may assign claims to financial institutions for financing purposes or to affiliated companies.

4.5 Supplier does not have the right to adjust prices or charge additional costs of any kind without the prior express written consent of Nidec. A late delivery of Parts, late invoicing and the delivery of defective Parts shall entitle Nidec to withhold payment accordingly.

4.6 The set-off of Supplier's claims against Nidec is permitted in the case of uncontested, finally adjudicated claims, or claims that are legally established or obvious.

4.7 Property in the Parts shall pass to Nidec upon full payment of the purchase price. Any prolonged or extended retention of Supplier's title is excluded.

4.8 Nidec shall inform Supplier if Nidec should be presented with the more favorable offer of a third party during the term of a Supply Agreement concerning the manufacture and delivery of the Parts or of similar parts, particularly but not limited to price, rebates, technology, quality, or other terms (hereinafter: the "Terms"). The Parties shall then use their best efforts to reestablish Supplier's competitiveness. Should Supplier be unable to offer Nidec the same Terms despite such efforts, Nidec shall be entitled to terminate the relevant Supply Agreement and/or all other agreements concerning the delivery of Parts with a three (3) months' notice period.

5. Delivery and Transfer of Risk

5.1 Delivery (including the transfer of risk) shall be governed by the commercial clauses customary to the automotive industry and/or specified in the Supply Agreement at the place of receipt or collection ("Delivery Address"). Provided the Parties do not agree on any terms of delivery, delivery shall be made DDP (Incoterms 2020) to the stated Delivery Address.

5.2 All Parts must be properly packed, labeled and shipped in compliance with the Nidec Packaging Agreement in the most recent version in effect at the time of conclusion of the Supply Agreement; a copy of which may be obtained from Nidec's purchasing department on request. Containers and packaging material that is not single-use packaging shall be returned at the expense and risk of Supplier.

5.3 Supplier must enclose the relevant shipping documents with the deliveries. The shipping documents must contain the Nidec order number, part number and the Supplier number. In addition, any requested certificates (e.g., quality certificates) must be enclosed. If these requirements are not met on grounds for which Supplier is responsible, Supplier must bear the delays in processing these causes and bear all additional costs arising from such delay as a result.

5.4 Supplier is obliged to provide Supplier's Declaration pursuant to Council Regulation (EC) No. 1207/2001 of 11 June 2001 (OJ of 21.06.2001, L 165/1) on the preferential origin of the Parts. By no later than at the time of the delivery, a certified annual Supplier's Declaration (Long-term Supplier's Declaration) must be delivered. This declaration must be renewed without further request by Nidec prior to the expiration of this period. Each change regarding the origin of the Parts must be disclosed to Nidec without undue delay. Supplier must duly provide Nidec with all of the documents (particularly customs certificates and customs reimbursement documents) required under the applicable customs regulations without undue delay and in full. To the extent additional official documents for the export or import of the Parts are required to use the Parts in accordance with their specifications, Supplier agrees to provide these documents to Nidec or to procure them without undue delay.

5.5 The Supplier shall furthermore comply with the provisions of the Supplier Manual.

6. Delivery Dates and Delays in Delivery

6.1 Delivery must be made at the time and to the Delivery Address (cf. Clause 5.1) stated in the Individual Supply Agreement and/or Call-offs or in the Single Purchase Order or otherwise agreed between the Parties in writing ("Delivery Date" / "Delivery Period").

6.2 In the event that agreed Delivery Periods and Delivery Dates are exceeded, Nidec is entitled to rescind the relevant Supply Agreement upon the expiration of a reasonable period of grace by a written notice. Besides, Supplier is obliged to compensate for default damage in accordance with the statutory provisions.

6.3 Nidec is not obliged to accept early deliveries, excess deliveries or partial deliveries that have not been agreed. Supplier shall bear the risk of loss of the Parts that have been delivered prior to the Delivery Date. Nidec is entitled to return excess deliveries at Supplier's expense; Supplier must bear all packaging, processing, sorting and transport costs.

Nidec is entitled to store all of the Parts delivered prior to the applicable Delivery Dates under Clause 6.1 or excess deliveries at the risk and cost of Supplier until the Delivery Date falling due. If Nidec accepts early deliveries or excess deliveries on this basis, Nidec is nevertheless not obliged to make payment at an earlier date than the due date pursuant to the scheduled Delivery Date.

6.4 Should Supplier anticipate that it will be unable to meet the Delivery Date, regardless of the reason, it must inform Nidec thereof in writing without undue delay, stating the reason and suspected duration. Furthermore, Supplier must present to Nidec without undue delay an action plan for reestablishing its full ability to make delivery.

7. Force Majeure, Emergency Strategy

7.1 Disruptions in the delivery relationship due to events that are unforeseeable and unavoidable and outside of the sphere of influence of a Party and for which the affected Party bears no responsibility such as force majeure, cyber-attacks, war, civil unrest, terror attacks, epidemic/pandemic or natural disasters ("Force Majeure") shall release the Parties from their performance duties for the duration of the disruption and for a reasonable period thereafter.

7.2 These events must be reported by telephone and Email without undue delay (but no later than within ten (10) hours following their occurrence) to Nidec's Purchasing Department and the occurrence of each disruption resulting therefrom must be proven upon Nidec's request. In this context, Supplier must notify how long the disruption is expected to last in its estimation. Nidec shall treat this information as confidential but is entitled to disclose it to its own customers who could be potentially affected by the disruption, making appropriate reference to the confidential nature of such information. Clause 9.6 shall apply accordingly for the verification of the occurrence of the events.

The threatened insolvency of Supplier's own suppliers and actual or threatened disruptions of the Supply Chain must also be reported according to this clause 7.2, but do not qualify as a Force Majeure event and shall not release the Supplier from its performance duties.

7.3 If the end of the disruption is not foreseeable or if the disruption continues for more than two (2) months, each Party shall have the right to rescind or terminate without notice the affected Supply Agreement (or its as yet unperformed parts).

7.4 Taking into account the special requirements of car manufacturers, it must be ensured that the provision of the Parts to be supplied is maintained in the event of disruptions in Supplier's sphere of influence. Supplier thus undertakes to implement an emergency strategy, provided this is appropriate in light of foreseeable business disruptions, particularly in the areas of procurement, manufacturing, production and/or transport resulting in a delivery restriction (concerning delivery periods and volumes) or, if no such emergency strategy has been defined, to provide for its fastest possible development and introduction so that impacts on supplies can be avoided or at least limited to the greatest possible extent. Nidec must be allowed to inspect this emergency strategy at all times upon demand. Supplier must inform Nidec without undue delay of disruptions or other events which could cause restrictions in deliveries.

8. Change Management

8.1 Changes in Supplier's delivery obligation, including changes to quantity, method of shipment, packaging, delivery time or delivery address or changes in drawings or specifications, must be mutually agreed to by the Parties and set down in writing, taking into account and reflecting any resulting changes in costs or time required for the performance of the contract (if any). With respect to technical modifications, in particular concerning Nidec's drawings or specifications, the following provisions of this Clause 8 shall apply in addition.

8.2 Nidec may at all times – also during serial production – request technical modifications of the Parts, and Supplier agrees to implement such changes in accordance with the following provisions to the extent they are reasonable. Immediately after receipt of Nidec's request for modification, Supplier shall submit an offer for the resulting costs (either possible increases or reductions) as well as information on changes e.g. in deadline shifts, function and quality resulting from the modifications. The Supplier has to keep the costs caused by the modifications as low as possible.

8.3 The Supplier will fulfill the request for modification without delay and the Parties will agree on any increased or reduced costs, the deadline shifts, the effects on function and quality etc.

8.4 If in Supplier's opinion technical modifications are sensible – e.g. due to more efficient production methods or for the improvement and increase of the security of its Parts – the Supplier will propose them to Nidec; simultaneously information must be given about the effects on the price, the delivery dates, etc. Nidec shall examine these modification proposals without undue delay.

8.5 The Supplier must not perform any technical modifications until it has received Nidec's written approval. The procedure for the initial sample tests ("Erstmusterprüfung") must be repeated with respect to all Parts which are subject to technical modifications after the original product release.

8.6 Nidec's technical documents, drawings and plans must be examined by Supplier with regard to their completeness and correctness prior to

commencement of processing or production. If Supplier considers them to be incomplete or to contain faults or defects the Supplier is obliged to notify Nidec accordingly in writing without delay (but in any case prior to commencement of the processing or production); any missing technical documents, drawings or plans must be requested in writing without delay.

9. Quality Management, Documentation

9.1 Supplier shall develop and manufacture the Parts in accordance with the latest state of the art and technology and comply with all quality standards and legal requirements applicable to the Parts. In particular, Supplier is required to comply with the provisions of the Quality Assurance Management (QAM), as amended at the time of concluding the Supply Agreement. In addition, if Supplier has received drawings, samples or other specifications or documents from Nidec, it shall comply with them as far as the design and characteristics of the Parts are concerned. Any changes to the Parts, a previously approved production process or its relocation to a different location shall require the prior written consent of Nidec.

9.2 Supplier shall presently and in the future maintain a quality management system in accordance with IATF 16949:2016. As an alternative a quality management system which corresponds to and is consistent with the standards in the automobile industry according to VDA 6.1 or ISO 9001 may be agreed by the Parties at the request of Supplier. If Supplier does not meet the quality levels on any such quality management system as evidenced by the results of the Nidec's audit, and Supplier does not correct such deficiencies within three (3) months after notification by Nidec, in addition to any other rights Nidec has, Nidec may terminate the relevant Supply Agreement immediately without any further obligations to Supplier.

9.3 If and to the extent the Parts to be delivered by Supplier will be used outside the Federal Republic of Germany, the Parts must comply with all statutory, official and other applicable provisions in those countries in which they are to be used, provided Supplier is aware about the relevant country of final usage. If Supplier has reason to assume that a country other than that of the Delivery Address is involved, Supplier is required to make appropriate inquiries with Nidec.

9.4 As to initial samples and serial deliveries, the equivalent provisions of the VDA Terms or IATF 16949:2016 and ISO 9001:2015 in the versions applicable upon the conclusion of the Supply Agreement shall apply.

9.5 Supplier agrees to analyse and review the specifications and drawings of the Parts prior to the conclusion of the Supply Agreement and to inform Nidec without undue delay of possible errors, inconsistencies, etc. Upon request, Supplier shall participate in all quality and development programs by Nidec or the customers of Nidec.

9.6 Nidec may, after giving reasonable notice and during normal business hours, carry out appropriate inspections at the intervals it deems necessary of the facilities in which Supplier produces the Parts. Supplier shall grant Nidec and, where appropriate, customers of Nidec access to such facilities. Supplier shall also allow Nidec to carry out inspections at short notice if necessary. Supplier shall ensure that its sub-suppliers also grant Nidec and, where appropriate, customers of Nidec the same right of inspection. Nidec and, where appropriate, customers of Nidec must also be permitted access to all quality-related documents relevant to the inspection. Supplier may restrict access to such documents as necessary and appropriate if it would otherwise have to disclose trade secrets.

9.7 An inspection or audit under Clause 9.6 shall not be deemed to constitute acceptance of the Parts or any part thereof nor shall it relieve Supplier from complying with any and all of the express or implied conditions in the Supply Agreement. In the event of development work or the start of series production, the release by Nidec shall not discharge Supplier from its product responsibility or from its obligation to deliver defect-free Parts in accordance with the technical specifications (in particular the technical specifications, requirements specifications and drawings). The granting of approval shall not add to, modify or otherwise amend the quality agreement contained in the technical specifications.

9.8 If Supplier intends to relocate its production facilities or its plant site, it must give reasonable advance written notice to Nidec of at least six (6) months prior to the start of the dismantling or relocation of production machinery. Supplier must further ensure pre-manufacture of Parts in the necessary volumes. The relocation scenario must be shown to Nidec by Supplier at the date of the relocation notification by way of a time schedule. Besides, Supplier must continually consult with Nidec on all effects on the production and delivery of the Parts and particularly organize a new initial sample of the Parts following the completion of such relocation.

9.9 All documents relevant to quality, including, but not limited to, release declarations, must be kept for a period of at least 15 years after the end of serial production for the relevant series.

10. Inspection of Incoming Goods

Nidec shall only inspect the Parts delivered by Supplier upon receipt for any discrepancies in identity and quality and for visually discernible damage to the extent and as soon as this is appropriate in accordance with proper business practice. Nidec will notify to Supplier any defects established during this inspection without undue delay. Supplier waives any further inspection of incoming goods by Nidec.

Nidec will notify to Supplier without undue delay any other defects which are discovered by Nidec during processing or the designated use of the delivered Parts. To such extent, Supplier shall waive the defense of the late notice of defect.

11. Quality Defects

11.1 Supplier warrants that all delivered Parts (i) comply with the specifications, samples, drawings and other requirements provided by Nidec, (ii) are free of defects (particularly in design, production and material), (iii) are fit for the purposes for which they are bought, provided Supplier is aware of such purposes.

11.2 Should Nidec discover Parts that do not comply with the requirements under Clause 11.1 prior to production (handling and processing, installation or assembly) ("Defective Goods"), the following applies: At Nidec's discretion, Supplier must promptly deliver defect-free Parts (replacement parts) or remedy/repair the defects of the Defective Goods (together: "Subsequent Performance"). All sorting work or other remedial work that may be required shall be conducted by Supplier in coordination with Nidec on Nidec's premises.

Supplier shall bear all of the costs incurred by itself or Nidec through the delivery of Defective Goods (including, but not limited to, the costs for sorting, transporting, inspecting (including the expense of research and development) the causes of the defects, etc.). Pursuant to Section 439 subs. 3 German Civil Code ("BGB") these costs also include the costs for removing the Defective Goods and installing the newly delivered, defect-free Parts.

11.3 If a defect is discovered after the start of production, the provisions in Clause 11.2 shall initially apply. In addition, the following applies:

(i) If a defect is discovered before the product (the Parts are used for) is delivered by Nidec to its customer, Supplier shall additionally bear the costs for all remedial work (labor costs, costs of materials, cost for additionally required tools).

(ii) If a defect is discovered only after the products (the Parts are used for) have already been delivered by Nidec to its customers or even to the latter's end customer (e.g. the consumer), Supplier shall additionally bear the portion of the incurred costs for taking them back and/or for field campaigns which were reasonably necessary from an objective perspective based on the interests of both Parties and which correspond to both Nidec's and Supplier's contributory cause or contributory fault. Nidec shall inform Supplier as soon as such defects occur and shall inform it of the further action and the measures to be taken.

11.4 If the Subsequent Performance fails or cannot be reasonably expected of Nidec or if Supplier does not commence with it without undue delay or refuses to carry it out, Nidec may rescind the affected Supply Agreement without any further notice and send the Parts back to Supplier at its risk and expense. In these and other urgent cases, particularly to avert imminent danger or avoid greater damage, and when it is no longer possible to inform Supplier of the defect and give him an even short period to remedy the defect, Nidec may remedy the defect itself or have the defect remedied by a third party.

11.5 In all other respects, the statutory provisions shall apply additionally, particularly with respect to the right of Nidec to a reduction of the purchase price, damage compensation and compensation for expenses.

11.6 Unless the Parties have agreed otherwise, the warranty period for Parts that constitute "Production Material" shall be (i) thirty-six (36) months in each case as of the initial registration of the vehicle into which the Part was installed, but a maximum of forty-eight (48) months after the delivery to Nidec for all markets (excluding the North American market), and (ii) fifty-four (54) months in each case as of the initial registration of the vehicle into which the Part was installed, but a maximum of sixty (60) months after the delivery to Nidec for all North American markets (U.S.A., Canada, Puerto Rico). For all other items (e.g. spare parts or tools), the warranty period is thirty-six (36) months after delivery to Nidec.

11.7 To the extent a recall, an owner notification program or any other field campaign is required in fulfillment of a law, regulation, order or other governmental requirement or as a safety measure to avoid personal injury or death, or a field or service campaign takes place due to a decision of Nidec's customer, Nidec shall inform Supplier – where possible and reasonable – of the content and scope of the recall to be conducted, the owner notification program or the field campaign and shall give Supplier the opportunity to comment. All other contractual and/or statutory claims by Nidec against Supplier (particularly claims in recourse) shall remain unaffected by this provision.

11.8 In the case of work or services, the statutory limitation periods shall apply.

12. Liability, Product Liability and Insurance

12.1 Where Supplier has caused a product defect and/or (depending on the underlying basis of claim) is at fault in relation to it, Supplier is obliged to pay damages and indemnify Nidec in relation to all claims by third parties, provided that the cause of the claim lies within the control and organization of Supplier and Supplier itself would be liable to the third party. Where there is contributory cause or contributory fault on the part of Nidec, Supplier may claim such contributory fault or contributory cause in relation to Nidec. In the relation between Nidec and Supplier, their respective share in the damage compensation payments shall be

governed by their equivalent share in the contributory fault and/or their contributory cause. Supplier's obligations also include the costs incurred by Nidec for obtaining legal assistance or which are incurred in connection with the defense against product liability claims. Should Nidec be subject to special rules governing the burden of proof in relation to the injured party, these rules on the burden of proof shall also apply in Nidec's relationship to Supplier, provided the circumstances to be proven are not attributable to Nidec's area of responsibility.

12.2 Supplier shall be liable for its representatives or subcontractors in the same manner as for its own conduct. The same applies for his sub-suppliers.

12.3 The Supplier commits itself to take out and maintain reasonably sufficient insurance coverage (especially, but not limited to product liability insurance, insurance covering recalls and public liability insurance) for its obligations resulting from the Supply Agreements.

13. Tooling, Acquisition of Necessary Tools

13.1 All parts, raw materials, tools, materials (dies, templates, measuring instruments, forms) or other machines or items (including replacements, add-ons, accessories) provided by Nidec or purchased by Supplier at Nidec's expense (and whose procurement costs are reimbursed by Nidec or have been included in the prices to be paid for the Parts and have been fully paid) ("Tooling"), shall be the sole property of Nidec. All rights shall also remain with Nidec for all drafts, samples, drawings, templates, blueprints, stereotype plates, films, data, models or other information and documents ("Documents"). Supplier shall not use the Tooling and Documents for the production or design of goods for third customers without the prior written consent of Nidec. Any further details will be agreed in the Tooling Agreement.

13.2 Supplier shall grant Nidec the irrevocable option to gain possession and ownership of the tools needed for the manufacture of Parts ("Necessary Tools") at any time against payment of their current value less the amounts Nidec has already paid to Supplier or which are amortized through the price of the Parts. The option under sentence 1 shall not apply if Supplier needs the Necessary Tools to manufacture and deliver the Parts under a valid (particularly not terminated) contractual delivery duty (whether on the basis of an Individual Supply Agreement/Call-off or a Single Purchase Order).

13.3 In the event that the option under Clause 13.2 is exercised, Supplier shall provide Nidec with all of the technical information and safety instructions for use which Nidec requires to install, assemble and otherwise use the Necessary Tools.

14. Provision of Spare Parts

14.1 Supplier agrees to warrant the provision of spare parts for the intended life of the products for which the Parts are to be used. The minimum period is 15 years after the end of serial production for the Parts. Supplier shall thus also ensure to this extent the availability of the Tooling. Any details on pricing for the spare parts will be agreed in the relevant Supply Agreement.

14.2 In good time prior to the expiration of the 15-year minimum period for the provision of spare parts, Supplier shall grant Nidec the opportunity to submit a final order for its long-term requirements.

14.3 For deliverables that are not included in a product for a vehicle (particularly for Tooling), Supplier shall warrant the uninterrupted provision of spare parts at fair market prices for the duration of at least fifteen (15) years as of the date of delivery.

15. Intellectual Property Rights

15.1 Supplier warrants that neither Nidec nor the customers of Nidec in connection with the purchase, ownership, offering, use, processing or resale of the Parts will infringe any trademark, company name, patent, utility model, design model, trade dress or design rights or copyrights of third parties (including applications for such intellectual property rights) ("Intellectual Property Rights") in Supplier's country of origin and in the Federal Republic of Germany, the European Union, the United Kingdom, the United States of America, Canada, China, Brazil and Mexico. If Supplier commits a culpable breach of this duty, it shall indemnify Nidec and its customers for any claims of third parties under such actual or alleged infringements of Intellectual Property Rights and bear any and all costs and expenses Nidec may incur in this regard, including, but not limited to, the costs of the prosecution of and defense against rights on the one hand and the costs resulting from compliance with a possible cease and desist obligation on the other.

15.2 Clause 15.1 shall not apply if the Parts are produced in accordance with drawings, models or other detailed information from Nidec and Supplier is neither aware nor should have been aware that this infringes the Intellectual Property Rights of third parties.

15.3 The Parties are obliged to inform one another without undue delay of the risks of infringement and alleged cases of infringement of which they become aware and to mutually counteract the equivalent claims of infringement within the scope of what can be reasonably expected of them.

15.4 Claims by Nidec arising from or in connection with this clause 15 shall become time-barred five years after the end of the year in which Nidec became aware of the infringement or should have become aware

of this without gross negligence. The limitation period shall expire no later than 15 years after conclusion of relevant Supply Agreement. The statutory limitation periods shall apply to claims for intentional infringement.

16. Compliance with the Laws, Safety, Environmental Protection, Hazardous Substances

16.1 Supplier must comply with all applicable federal, state or municipal laws, rules, provisions or orders and industry standards concerning the Parts as well as during the performance of a Supply Agreement. When performing its contractual duties, it must particularly comply with all statutory and governmental rules regarding environmental protection and product safety and employment provisions. In particular, it shall maintain an environmental management system according to ISO 14001:2015 (or set up such system within six (6) months of the conclusion of a Supply Agreement). This shall apply for all countries in which Supplier does business, as well as for the countries to which the products (the Parts are used for) are delivered (namely to the Nidec plants) and for the countries to which the final product is delivered.

16.2 The Supplier shall ensure, that all of its business activities meet the highest ethical standards and thus ensures appropriate social and sustainable endeavors. By entering into a business relationship with Nidec, the supplier undertakes to observe and comply with the recently enacted German Supply Chain Due Diligence Act ("LkSG") which applies along the entire supply chain of the goods in question. The Supplier is obliged to guarantee transparency and to disclose relevant information regarding the control of compliance with the German Supply Chain Due Diligence Act. Furthermore, the supplier must ensure that subcontractors are obliged to the same degree of care. Nidec reserves the right to review these obligations from time to time.

The Supplier must also ensure that it complies with the Nidec Group's CSR declaration and all other relevant Nidec Group documents and passes on their regulations to its subcontractors.

16.3 For Parts and materials, as well as for procedures that must be given special treatment due to the laws, regulations or other provisions or due to their composition and impact on the environment, such as in relation to transport, packaging, labeling, storage, treatment, manufacture and disposal, it is mandatory that Supplier complies with the statutory provisions set forth for the country of manufacture as well as of the countries to which the products (the Parts are used for) are delivered (namely to the Nidec plants) and to the countries to which the final Nidec product is delivered.

16.4 Supplier is particularly responsible for complying with the applicable hazardous goods regulations. In particular, Supplier shall ensure that only specially trained personnel is assigned to handle dangerous goods and substances and that only licensed devices, containers and facilities are used to transport such dangerous goods and substances on public streets. Supplier is obliged to provide an overview and material safety data sheets of all dangerous goods and substances it used to perform the Supply Agreements.

16.5 Supplier shall ensure that the requirements of the EU Chemicals Regulation REACH (Regulation (EC) No. 1907/2006, OJ. EU of 30.12.2006) – hereinafter referred to as "REACH" - are met, particularly timely preregistration and registration. Nidec is in no way obliged to conduct the (pre-) registration. Supplier is aware that the Parts may not be used if the REACH requirements are not fully and properly met.

16.6 The ingredients (heavy metals) covered by the EU End of Life Vehicles Directive (ELV – End of Life Vehicles) shall be entered into the IMDS database by Supplier at its own costs and are, thus, declared.

16.7 If the Parts Supplier delivers to Nidec contain "Conflict Materials" as defined by the US Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") and such materials originate from the DR Congo or its neighbouring countries (Angola, Burundi, Republic of Congo, Rwanda, Zambia, Sudan, Tanzania, Uganda, Central African Republic), Supplier shall disclose this on an annual basis. "Conflict Minerals" as defined by the Dodd-Frank Act are, for example, the raw materials tin, tantalum, tungsten or gold.

16.8 Supplier shall fully indemnify Nidec for all consequences, including, but not limited to, Nidec's damage and the claims of third parties against Nidec resulting from Supplier's culpable failure to comply with or fulfill the foregoing provisions of this Clause 16 fully or on time.

17. Cancellation of Orders/Agreements

In case the Parties have agreed a Supply Agreement the following provisions on term and termination shall apply:

17.1 The contract is limited to the life-cycle of the Parts to be supplied by Supplier. Nidec is entitled to terminate such contracts with six months written notice.

17.2 Nidec has the right to terminate a contract without notice for good cause. For Nidec good cause shall include, but is not limited to, the following cases: (i) the customer of Nidec terminates on any grounds whatsoever the contract for the delivery of the products for which Nidec needs Supplier's Parts; (ii) Supplier stops payment or repeatedly is in default of payment in relation to its own suppliers or employees; (iii)

insolvency proceedings concerning the assets of Supplier are initiated or rejected due to the lack of assets or Supplier is liquidated; (iv) the occurrence of a significant deterioration of the asset situation of Supplier (which leads to a threat to the fulfillment of its obligations to Nidec); (v) the breach of major contractual duties by Supplier; in the event of a breach which can be remedied, however, not until Nidec has demanded in writing that Supplier remedies the breach, warned it of the threatened termination for cause and given it a reasonable period of grace of at least four weeks which has expired to no effect; (vi) Supplier comes under the control of a competitor of Nidec due to a change in its owners or shareholders.

17.3 In case of a cancellation or other termination of the Supply Agreement the Supplier must return all items provided by Nidec, including all drawings and other documents, appliances and tools.

18. Governing Law, Jurisdiction, Miscellaneous Provisions

18.1 The contractual relations between Nidec and Supplier shall be governed by the laws of the Federal Republic of Germany, excluding the UN Convention on Contracts for the International Sale of Goods (CISG).

18.2 Exclusive place of jurisdiction is Stuttgart. Nidec is also entitled to bring legal action at the Supplier's general place of jurisdiction or at its own general place of jurisdiction.

18.3 Place of performance for all obligations under any contract is the place of Nidec to which the Parts shall be delivered as indicated in the Supply Agreement.

18.4 In the event any provision of these Purchase Terms is found to be invalid, illegal or unenforceable, such provision shall be deemed to be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. If such modification or restriction is not possible, the nullity of one or more of the present clauses will not affect the validity of the others or the validity of the contract.

18.5 Supplier may not assign any Supply Agreement, or any part thereof, without the prior written consent of Nidec.

18.6 Supplier must not employ one or more subcontractors for the fulfillment of all or part of any Supply Agreement without Nidec's prior written consent.