

Purchasing Internal Reference :

Sourcing #

Purchasing Internal Reference :

Sourcing Number #

Application or Project

[select vehicle/program/powertrain/modular parts]

Production Part

[product description]

This Purchase Agreement is made by and between

Buyer company name	PSA Automobiles SA ("PSA"), acting in its own name and/or on behalf of all its Affiliates (as defined below) it may represent
Legal Seat	a French company, having its corporate office at 2-10 Boulevard de l'Europe 78300 Poissy, France
Registry of Trade and Companies	registered at the Registry of Trade and Companies of Versailles under number 542 065 479
hereinafter referred to as:	Buyer

And/or

Buyer company name	FCA Italy S.p.A. ("FCA"), acting in its own name and/or in the name and on behalf of all its Affiliates (as defined below) it may represent
Legal Seat	C.so Giovanni Agnelli 200, 10135 Torino (Italy)
Registry of Trade and Companies and VAT	07973780013
hereinafter referred to as:	Buyer

on one hand, and

Seller company name	
Legal Seat	
Registry of Trade and Companies	[place & number to be filled manually by buyer]
VAT Number	
hereinafter referred to as:	Seller

on the other hand.

Buyer and Seller are hereinafter individually referred to as a "**Party**" and collectively referred to as the "**Parties**".

Capitalized terms used but not defined in this Purchase Agreement shall have the meaning(s) ascribed thereto in the GTC.

Buyer and/or each Affiliate shall be considered as a separate Buyer to which the provisions of this Purchase Agreement shall apply. Buyers herein shall not be jointly and severally liable toward Seller. Therefore, through this Purchase Agreement, Seller accepts to enter into a direct and separate relationship with PSA and/or FCA and/or each Affiliate upon issuance of Firms Orders by PSA and/or FCA and/or such Affiliate as the case may be.

"Affiliates" means any company currently existing, or to be created, that is directly or indirectly under Control of Stellantis NV and its successors ("**Stellantis**").

1. Scope and contractual documents

Subject to the terms and conditions set forth in this Purchase Agreement, Buyer hereby confirms the selection of Seller for the development, manufacture and supply of the **Production Parts** (as defined above), for the **Application** (as defined above) for an indefinite period, in accordance with the below documents, as agreed between the Parties at the date hereof, listed in their prevalence order:

- (i) The Firm Order, which means any Buyer's order under this Purchase Agreement in which quantities and deadlines of Goods, or Toolings needed therefore, are firm. Such order is issued by Buyer in the form of a document named either "closed purchase order" for Buyer Owned Tools or "delivery order" for Goods. Any other document not bearing the named "closed purchase order" or "delivery order", such as forecasted quantities, shall not be deemed to be a commitment of Buyer to buy such quantities. Notwithstanding the reference to General Terms and Conditions in the Firm Order, the present Purchase Agreement shall be regulated only by the GTC (as defined below), which shall therefore apply and be enforceable with respect to the Goods.
- (ii) This Purchase Agreement, including the Annexes.
- (iii) The Global General Terms and Conditions (ref doc. 00614_21_00800) and Europe Exhibit (the "**GTC**") (ref doc. 00614_21_00804) Buyer's requirements included in Sourcing Number _____ which includes in particular among the other documents the last agreed version of the technical specification (Annex 2), the Supplier Claim Management Procedure (ref doc. 01272_14_00005) and the Costs and Invoicing Procedure (ref doc. 01598_21_00050).
- (iv) Global Warranty Terms (ref doc. 00614_21_00708) with Specific Warranty Terms – Partnership Implementation Procedure for Europe (ref doc. 00614_21_00893) and Implementation Procedure for Europe (ref doc. 00614_21_00894).
- (v) Global Responsible Purchasing Guidelines (ref doc. 00614_21_00397)
- (vi) All other documents mentioned in this Purchase Agreement.
- (vii) Seller's answers included in Sourcing Number _____

Seller acknowledges having received all the adequate information needed for the conclusion and execution of this Purchase Agreement.

2. Capacity requirement

Seller has been appointed by Buyer for the supply of Goods, in particular for its capacity to manufacture and deliver the Goods up to the quantities described in Annex 5, it being specified that such quantities are calculated on a weekly basis.

In addition, the Parties agree that Buyer will be entitled at any time to request Seller to increase its installed capacity production in accordance with the table in Annex 5.

The aforementioned quantities may be adjusted by the Parties at the milestone named "Tooling Kick-off".

Unless otherwise agreed by the Parties, Seller undertakes to maintain during the term of the Purchase Contract the required capacity in order to always meet all Buyers' needs. In accordance with Section 12 of the GTC, Buyer will have access to Seller's premises in order to check whether Seller has actually installed the required capacity.

3. Payment terms for Production Parts, Pre-Production Parts and Services Parts

The Parties expressly declare and recognize that the payment terms herein agreed have been carefully examined and approved by each Party and are not unfair to the creditor, being the result of the evaluation and the will of the Parties.

- If Buyer is **PSA Automobiles SA**, the payment terms shall be 60 (sixty) calendar days net as from the date of issuance of Seller's invoice.
- If Buyer is **FCA Italy S.p.A. or Maserati S.P.A. or Sevel S.P.A.**, the payment terms shall be 60 (sixty) calendar days end of month of the invoice date, except if Seller issuing the invoice is located in France or in Poland. In this case the payment terms shall be 60 (sixty) calendar days net
- If Buyer is **FCA Poland S.A. or FCA Powertrain Poland sp. z.o.o.**, the payment terms shall be 60 (sixty) calendar days net as from the date of receipt of Seller's invoice.

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4. Production Part price

4.1 Seller hereby acknowledges and recognizes that Buyer's decision to award Seller is based on the positive assessment of the terms and conditions agreed with Buyer as summarized hereunder.

Production Part Price							
P/N	Description	Base Price (VAT excluded)	Currency	Amortization Amount	Currency	Total Production Price (Base Price +Amortization)	Currency

4.2 The Production Part price includes any and all costs: (i) connected with the Production Parts, Buyer Owned Tools and Seller Owned Tools and in particular any material, component, development works, logistics, warranty, quality, safety stock, maintenance, insurance, tool plate, technical documentation; (ii) specified in the GTC and the other documents mentioned in this Purchase Agreement; and (iii) related to the use and/or assignment of any Intellectual Property Rights embedded into the Goods and Buyer Owned Tools as defined in Article 12 of the present Purchase Agreement. The Base Price may be adjusted as set forth in Annexes 12 and 13 of this Purchase Agreement.

4.3 Amortization and Seller Owned Tool (PST)

The "Amortization Amount" set out in the table of Article 4.1 includes: (i) part of Seller's costs for the performance of the Good's development activities necessary to make the Goods suitable for the mass production (the "ED&D Activities"); (ii) part of Seller's costs for the performance of the development and manufacture of the peripheral specific tools (PST) as described in Annex 4, belonging to Seller and needed to manufacture the Production Parts ("Seller Owned Tool"); (iii) part of Seller's costs for the performance of the manufacture of the Shipping Containers (as defined in the Logistic documentation of the Sourcing Package); (iv) as well as - only in case of die casting component - the "Renewal Amortization", which covers, should it be decided by Buyer, the costs for the renewal of certain Buyer Owned Tools, as better described in Annex 6.

Should the Parties agree, at a later stage, any additional: (i) ED&D Activities; and/or (ii) Seller Owned Tools, and/or (iii) Shipping Containers, the Amortization Amount set out above will be adjusted accordingly. The Amortization Amount calculation rules and adjustments are set forth in Annex 6.

5. Buyer Owned Tools

Seller undertakes to carry out the development and the manufacture of the specific forming tools, as identified below ("**Buyer Owned Tools**"), needed to manufacture the Goods for Buyer, in accordance with the spending curve set forth in Annex 4. The details are described in Annex 7.

	Global Price VAT excluded	Currency
Buyer Owned Tools		

In addition, should Buyer notify Seller of its decision to increase Seller's installed capacity in accordance with Annex 5, the price of the Buyer Owned Tools will be adjusted in accordance with the following additional amount and details included in Annex 7.

	Global Price VAT excluded	Currency
Additional Buyer Owned Tools required		

The payment of the Buyer Owned Tool's price, set forth in the table above, is made by Buyer as consideration for the purchase of such Buyer Owned Tool that Seller hereby agrees to sell to Buyer at such price and therefore such Buyer Owned Tool shall be the ownership of Buyer. For the avoidance of doubt, the Buyer Owned Tool's price includes any and all use and/or assignment to Buyer of any Intellectual Property Rights related to the Buyer Owned Tools as defined in Article 12 of the present Purchase Agreement.

The Buyer Owned Tool shall be managed by Seller in compliance with Annex 7. In particular, Seller shall invoice in compliance with any applicable tax law with the schedule and requirements detailed in Annex 7.

6. Pre-Production Parts

The prices of the Pre-Production parts (Production Part Prototype, Off Tool Pre-Production Parts, Off Process Pre-Production Parts) are set forth in Annex 11.

7. Services Parts

In accordance with the GTC, the price for each Service Part is composed of the following elements: (i) the price of the Production Part as set out in Article 4.1, plus (ii) the related packaging and logistic costs as determined pursuant to the provisions of Annex 8.

The price(s) during the first five (5) years of this period will be those in effect at the conclusion of current model purchases, adjusted only for possible differences in packaging and logistics costs as agreed by Buyer.

If the subcomponents of the Goods are required for Buyer Aftersales, Seller will sell to Buyer, or any third party as directed by Buyer, the components or parts that comprise the system at price(s) that will not, in the aggregate, exceed the price of the system or module less assembly costs.

8. Other Conditions

Seller's Manufacturing Plant location(s)	
LTA (Long Term Agreement)	See Annex 1
Logistic conditions	See Annex 8

9. Planning

Seller shall perform the ED&D Activities in compliance with the development time schedule, which includes the Application project's milestones, as set forth in Annex 3 ("**Time Schedule**").

Seller undertakes to set up the Seller Owned Tool and the Buyer Owned Tool after the issuance by the Buyer of the Tool kick off (TKO).

- 10.** Seller recognizes that Buyer's actual requirements may vary based on the trend of the automotive market, and no volume commitment is herein assumed or shall be assumed, by Buyer; any forecasts, estimates or projections that Buyer may have already submitted, or will submit in the future, to Seller in connection with the Production Parts and the Application, represent Buyer's expressions of potential future requirements, which are provided for Seller's information purposes only, and are not intended to be a commitment by Buyer to buy those future quantities.

11. Quality – Warranty

In addition to the GTC and to the Warranty Terms, Seller agrees on the following quality and warranty provisions.

11.1 Quality level

The global quality commitments before the sale of the Application incorporating the Production Parts will be determined each year.

The Quality commitments after Commercial Allocation of the Application incorporating the Production Parts are described in Annex 9

11.2 Warranty

The warranty period defined herein is only a clarification of Section 10 (c) of the GTC. It shall not prevent the application of other warranty periods mentioned in Section 10 of the GTC:

- Production Part (except Service Parts) are guaranteed by Seller against any defect resulting in a warranty claim during a period that expires after 36 (thirty-six) months as from the date of receipt of the Goods by Buyer.
- Service Parts are guaranteed by Seller against any defect resulting in a warranty claim during a period that expires after 36 (thirty-six) months as from the date of invoice of said Service Parts to the final customer.

11.3 Curative Action and Campaign

Should the maximum IPMP rate mentioned in Annex 9 be exceeded due to the sole responsibility of Seller,

a Curative Action may be launched, or a Campaign decided by Buyer.

12. Property and use of Intellectual Property Rights attached to the Goods and Buyer Owned Tools

The options for the Foreground IPR and for the Background IPR defined in Annex 10 shall apply to this Purchase Agreement:

13. Electronic signature

This Purchase Agreement and its Annexes shall be executed by means of secured electronic signature proceedings, in accordance with current regulations, intended to authenticate the identities of the signatories and to guarantee the integrity of the Purchase Agreement in an electronic format.

The electronic signature expresses their consent for this Purchase Agreement and its Annexes to be legally binding on the Parties and to constitute proof of an equally effect to that of a paper document bearing a handwritten signature.

Annexes:

1. LTA Terms on Production Part Base Price
2. Technical Specification / Technical Drawings, including RASI Chart
3. Time Schedule
4. Buyer Owned Tools, Seller Owned Tool and ED&D spending curves
5. Capacity and estimated needs
6. 6a: Amortization Amount Adjustments Principles and Calculation
6b: Renewal Amortization (only in case of die casting components)
7. Management of the Buyer Owned Tools
8. Logistics and Delivery Conditions
9. Quality level
10. Property and use of Intellectual Property
11. Pre-Production Parts
12. Raw material clause
13. Currency clause **[Mandatory only when a portion of the price is not in euros]**

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Buyer

Purchasing Internal Reference :

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Date:

Seller

Annex 1
LTA Terms on Production Parts and Service Parts Price

The LTA shall apply on the Total Production Price starting from the Application mass production till end of deliveries of Service Parts in compliance with the GTC. It is agreed that amortization costs are constant over time so that the amount subject to decrease is the base price only.

P/N - Description

Year	LTA %	Effective from

P/N - Description

Year	LTA %	Effective from

P/N - Description

Year	LTA %	Effective from

Annex 2
Technical Specification / Technical Drawings, including RASI Chart

Insert or paste here the
documents (or reference of the
documents) as needed

Annex 3
Time schedule

Insert or paste here the
documents as needed

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Annex 4
Buyer Owned Tools, Seller Owned Tool, ED&D and Shipping Containers Spending curves

Buyer Owned Tools (SFT)			Projected Monthly Deliverable Expenses						Currency			K		
Tool Name and Description	Due Date	Allocated Fee Amount (Total)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
		0												
		0												
		0												
Aggregate Spend		0	0	0	0	0	0	0	0	0	0	0	0	0

Seller Owned Tools (PST)			Projected Monthly Deliverable Expenses						Currency			K		
Tool Name and Description	Due Date	Allocated Fee Amount (Total)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
		0												
		0												
		0												
Aggregate Spend		0	0	0	0	0	0	0	0	0	0	0	0	0

ED&D			Projected Monthly Deliverable Expenses						Currency			K		
Deliverable Name and Description	Due Date	Allocated Fee Amount (Total)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
		0												
		0												
		0												
Aggregate Spend		0	0	0	0	0	0	0	0	0	0	0	0	0

Shipping Containers			Projected Monthly Deliverable Expenses						Currency			K		
Deliverable Name and Description	Due Date	Allocated Fee Amount (Total)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
		0												
		0												
		0												
Aggregate Spend		0	0	0	0	0	0	0	0	0	0	0	0	0

In case of cancellation of the Application/Project or of the Production Part, Seller shall be entitled to the reimbursement of the costs actually and provably incurred by Seller strictly connected with the Buyer Owned Tool, the Seller Owned Tool, the ED&D Activities and the Shipping Containers within the limit and in accordance with the spending curves set forth in the Annex 4.

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Annex 5
Capacity

Capacity requirement

P/N	Description	Required Weekly Capacity	Offered Weekly Capacity	Required Weekly Capacity with 25% Increase	Leadtime for 25% Capacity Increase

Unless otherwise agreed by the Parties, Seller undertakes to maintain during the term of the Purchase Agreement the highest of the aforementioned capacities.

Annex 6

6a: Amortization Amount - Adjustments Principles and calculation

1) Adjustment

Should, during the first 2 (two) years as from the Application's start of production, and thereafter each year, the actual total volumes ordered by the Buyer be higher or lesser than 20% (twenty percent) in comparison with the total estimated needs set out in the table, the Parties will meet in order to discuss the opportunity: (i) to adjust the Amortization Amount; and/or (ii) to adjust the period during which the Amortization Amount shall be paid; and/or (iii) to find another agreement.

On Buyer's request, Seller will provide Buyer with any element evidencing the costs referred to in the ED&D Activities, in the Seller Owned Tool and in the Shipping Containers (according to the Logistic documentation sent in the Sourcing Package). Such elements shall include, in particular, cost related to design, tests, validation, manufacture as well as discount rates.

Should Buyer pay in excess of the agreed Amortization Amount, Buyer shall be reimbursed by Seller within 30 days as from Buyer's decision. It being understood that such amount may be paid by way of set off.

2) Calculation

Buyer shall pay a part of the costs incurred by Seller:

- for its share of the specific developments works (as defined in the technical specifications) of the Goods and for the generic part of the development works of the Goods through the payment of the price of the Production Part pursuant to the below table ("ED&D"); it being understood by the Parties that such payment includes the price of any use and/or assignment of the related Intellectual Property Rights. Should any additional development works be decided at a later stage, the Amortization amount set out in the table will be adjusted accordingly.
- for the development and manufacture of Seller Owned Tools; through the payment of the price of the Production Part pursuant to the below table. Should any additional Seller Owned Tools and/or development be decided at a later stage, the Amortization Amount set out below will be adjusted accordingly.
- for the Shipping Containers (as defined in the Logistic documentation sent with the Sourcing Package), through the payment of the Production Part's price pursuant to the table below. Should any additional Shipping Containers be decided at a later stage, the Amortization Amount set out below will be adjusted accordingly.

The Amortization Amount, pursuant to the calculation made under the provisions of the below table, shall be paid up to the quantity of Goods set out below.

	Amortization Reference Volume (RVA)	Currency	Amount without financial rate	Financial rate	Amortization Amount (/piece)	Duration of amortization (months)	Estimated date of fall of the amortization
ED&D Activities for Goods							
Seller Owned Tools							
Shipping Containers							
Total amount							

For the avoidance of doubt, should the costs of ED&D Activities for Goods and/or of the development/production for the relevant Seller Owned Tools and/or of the Shipping Containers have been paid to Seller in anticipation, the Amortization Amount will be adjusted accordingly.

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Annex 6**6b: Renewal Amortization (only in case of die casting components)**

Should Seller consider that the renewal of any Buyer Owned Tool is needed, Seller shall send Buyer a 12 (twelve) month prior written notice before the end of life of such Buyer Owned Tool, with all evidence establishing the need of renewal. Buyer will then decide whether such renewal shall be implemented or not. Seller shall be responsible for the monitoring of the related "Renewal Amortization" in compliance with the volume effectively ordered by Buyer.

If Buyer accepts to renew a Buyer Owned Tool, Seller shall, if necessary, constitute a sufficient stock of Products and/or Products' service parts, as the case may be, in order to meet all Buyers' needs.

The financial conditions related to the renewal of Buyer Owned Tools are set out in the below table.

The Renewal Amortization is composed of an amount of **[To be filled in; same as defined below table]** for the renewal of Buyer Owned Tools and shall be paid up to the quantity of **[To be filled in]** units of Products.

	Price of Buyer Owned Tool (1 st dotation)	Currency	Volume according to life length of Buyer Owned Tool	Tools Extraordinary Maintenance / Renewal Amortization	Currency	Tools Extraordinary Maintenance / Renewal Amortization termination
Total amount						

For the avoidance of doubt, should the non-renewal of Buyer Owned Tools be decided by Buyer, the related portion of the Renewal Amortization shall be no more included in the calculation of the price of the Product and the sums related to such portion of the Amortization, that have been already paid by Buyer to Seller, shall be reimbursed by Seller within **[To be filled in]** days as from Buyer's decision. It being understood that such amount may be paid by way of set off.

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Annex 7**Buyer Owned Tool**

Seller shall comply with the following provisions with regards to any Buyer Owned Tool ("BOT").

1. Buyer Owned Tools prices

Buyer Owned Tools for required weekly capacity				
Description of each Buyer Owned Tool	Price VAT excluded	Currency	Goods produced with BOT	Estimated number of goods produced with BOT
TOTAL				

Additional Buyer Owned Tools for additional weekly capacity				
Description of each Buyer Owned Tool	Price VAT excluded	Currency	Goods produced with BOT	Estimated number of goods produced with BOT
TOTAL				

If the actual cost incurred by Seller for the development and manufacture of the Buyer Owned Tools is lower than the price mentioned above, Seller shall notify Buyer so that the price can be adjusted to actual cost(s). Seller shall establish a reasonable accounting system that readily enables the identification of Seller's costs and will preserve all records pertinent for a period of not less than 5 years after Buyer's final payment to Seller for the Buyer Owned Tools. Buyer or its agents shall have the right to audit and examine all books, records, facilities, work, material, inventories and other items relating to the development and manufacture of Buyer Owned Tools and to claim back any amounts not actually spent.

2. Payment schedule and requirements for invoices**2.1 Payment schedule**

Seller shall invoice, in line with any applicable tax law, the price of the Buyer Owned Tools in accordance with the following payment milestones:

- (i) A first payment of **25%** (twenty-five percent) of the related Buyer Owned Tool price, upon receipt of Buyer's related Firm Order and upon receipt of the Request for payment/Pro-forma document sent by Seller. After the receipt of the down payment, Seller must issue the down-payment invoice in line with the local tax regulations (down-payment invoice must include a date of down-payment receipt, 25% of the price exclusive of VAT as well as VAT amount, if applicable, stated separately, unless otherwise required by the local tax law).
- (ii) A remaining payment of **75%** (seventy-five percent) of the related Buyer Owned Tool price, broken-down as follows:

- 35% upon express conditions that Seller provides parts of the full PPAP validation (PPAP status = A) and presentation of the final invoice by Seller and upon proof of identification and tagging as required in the Article 1 of this Annex, and that Buyer approved such document.
- 40% upon validation of the milestone N°5 of the APQP or the notification from Buyer of the ramp-up authorization (subject to Seller providing the proof of identification and tagging mentioned above and that

Buyer approved such document), released when Seller send by email or letter a request for payment to Buyer.

Any invoice(s) issued in relation to the remaining amount (i.e. 75%) should clearly state an amount exclusive of VAT as well as VAT amount, if applicable, stated separately, unless otherwise required by the local tax law.

2.2 Invoices

- If Buyer is located in France, Seller's invoices shall be paid within 30 (thirty) days end of month as from the date of issuance of Seller's invoices, calculated as follows: the end of the month during which an invoice has been issued and increased of 30 (thirty) calendar days
- If Buyer is located out of France, Seller's invoices shall be paid:
 - If Buyer is **FCA Italy S.p.A. or Maserati S.P.A. or Sevel S.P.A.**, the payment terms shall be 60 (sixty) calendar days end of month of the invoice date,
 - If Buyer is **FCA Poland S.A. or FCA Powertrain Poland sp. z.o.o.**, the payment terms shall be 60 (sixty) calendar days net as from the date of receipt of Seller's invoice.
 - For any other Buyer, the payment terms shall be 60 (sixty) calendar days net as from the date of issuance of Seller's invoice.
- In all cases, where Buyer Owned Tool is located in Poland where invoice issued for the first 25% will be paid by Buyer within the following 30 days after issuance of the invoice.
- In all cases where the Buyer Owned Tool is located in the country other than the country of Buyer's establishment or the country of Buyer's VAT registration, invoices must be issued by Seller in a paper form, unless Buyer requests an electronic invoice.

3. Requirements of Tool tag process, Inventory and Tool Ownership Certificate

3.1 Tagging and inventory requirements

In addition to the GTC, Seller shall affix mechanically on each Buyer Owned Tool a plate engraved with the mention "Property of [name of Buyer issuing the Purchase Order for the tool]" and the tool owned number and asset number if applicable in compliance with here below procedures.

For each Buyer Owned Tool, Seller shall provide a proof of ownership ("**Ownership Certificate**") in the form attached herein and in case Buyer is PSA Automobiles SA or its affiliates according to the procedure described in the following link: https://docinfogroupe.stellantis.com/ead/doc/ref.01598_18_00881/v.dp/fiche (Includes the tool ownership certificate + BOT requirements + tagging rules + inventory requirements)

In case of Buyer is FCA Italy S.p.A. or its affiliates, the Ownership Certificate hereby attached shall be returned signed by the Supplier through Registered email as soon as Buyer has validated the milestone N°5 of the APQP or has notified Seller of the ramp-up authorization

3.2 Tool moves during and after mass production

All manufacturing transfer of the goods including Buyer Owned Tool move must be approved in writing by Buyer before any move.

In case Buyer is PSA or its affiliates, any transfer or move

- during mass production must be in compliance with the BTAB (Business Transfer Approval Board) process DA_SIRF07_0001;
- after mass production, must be authorized by email on the basis of the list referencing the Buyer Owned Tools duly updated, sent by Seller at the following address: botscrapping@stellantis.com

All moves out of compliance with this process expose Seller to downgrading score on the bid list, it being specified that all costs and risks related to such move shall be borne by Seller exclusively.

4. Property of Buyer Owned Tools

4.1 In consideration of the second payment made by Buyer to Seller of the price of the Buyer Owned Tool, and pursuant to the GTC, any Buyer Owned Tools is considered the property of Buyer.

As a consequence, Seller shall (i) inform any third party, in particular its creditors, of Buyer's ownership on the Buyer Owned Tools and in particular that the Buyer Owned Tools are exempt from seizure (ii) identify the Buyer Owned Tools, as indicated in Article 3.1 above. Seller shall immediately inform Buyer, in a written form, of any attempt of seizure from a third party and shall take all the necessary actions to obtain the immediate release of the Buyer Owned Tools keeping Buyer fully indemnified and harmless from any cost, expense and damage deriving from such

seizure.

- 4.2** Should Buyer decide to recover any of its Buyer Owned Tools, Seller shall provide Buyer with all technical documentation (plans, designs, instructions of utilization, specifications...) necessary for the proper use of said Buyer Owned Tools. Such technical documentation shall be provided at the latest as of the date of the transfer of said Buyer Owned Tools to Buyer or any other person appointed by it. In such a case, costs related to the recovery of Buyer Owned Tools will be paid by Buyer.

In the event Seller is unable to return said Buyer Owned Tools and the relevant technical documentation to Buyer at the agreed date, Seller shall pay to it a penalty of 0,5% of the original value of the Buyer Owned Tool concerned with a minimum of 100€ for each day of delay without prejudice of Buyer's other rights and remedies under this Purchase Agreement.

5. Conditions of use of Buyer Owned Tools

- 5.1** Seller shall use Buyer Owned Tools for the sole purpose of manufacturing the Goods needed by all Buyers pursuant to the terms and conditions of this Purchase Agreement and/or any other third party designated by Buyer to Seller in a written form.

Should the Buyer Owned Tools be needed by Seller for the manufacturing of automotive parts for the aftersales market to be sold to other parties than all Buyers, Seller shall obtain the prior written consent of Buyer. Should Buyer agree, a separate agreement setting forth the terms and conditions of use of such Buyer Owned Tools will be then entered into.

- 5.2** Every year in December and upon any request of Buyer, Seller shall inform Buyer of the number of injections as the case may be or the number of units of Goods produced with the Buyer Owned Tools as from the SOP (Start of Production ramp-up). This information shall be uploaded by Seller on SAP.
- 5.3** Seller shall inform Buyer of any damage (such as, but not limited to, seizure, breakdown, accident, unintentional destruction) on their Buyer Owned Tools, or any part thereof, preventing the use of such Buyer Owned Tools. As set out in the GTC, Seller shall bear all risk of loss, damage to Buyer Owned Tools and any reparation or replacement costs of such damaged Buyer Owned Tools.
- 5.4** In addition, Seller shall not be entitled to make any modification on the Buyer Owned Tools without the prior written approval of Buyer.
- 5.5** If Buyer requests Seller to destroy a Buyer Owned Tool, such destruction shall be performed in accordance with the conditions to be agreed upon by the Parties.
- 5.6** Seller hereby ensures that the Buyer Owned Tool: (i) is fully compliant with the technical specifications requested by Buyer; (ii) has been certified accordingly to health and safety laws and regulations, applicable in the country where the Buyer Owned Tool has been manufactured and in the country where it has to be used for the productions of the components for Buyer, or accordingly to the different and/or further specifications given by Buyer.
- 5.7** Seller warrants that, during a warranty period of 24 (twenty-four) months as from the payment of the last portion of the price of a given Buyer Owned Tool, such Buyer Owned Tool will be free from faulty parts, manufacture or workmanship. In case of any defect during this period, such Buyer Owned Tool will be repaired or replaced at Seller's expense. Notwithstanding the above mentioned warranty period, Seller shall always be in charge of the maintenance.

6. Renewal and refurbishment of Buyer Owned Tools

6.1 Renewal

Notwithstanding the foregoing, in case of renewal of a Buyer Owned Tool caused by a fault or negligence of Seller, Seller shall take in charge the costs of such renewal. It is understood by the Parties that any Buyer Owned Tool renewed shall remain the property of the related Buyer.

If Buyer refuses to renew such Buyer Owned Tool, such non-renewal shall be communicated by Buyer to Seller within 6 months as from Seller's notice.

In such a case, Seller shall reimburse the related Buyer all advanced costs related to the renewal of such Buyer Owned Tool that have already been paid by Buyer.

6.2 Refurbishment

Should Seller consider that the refurbishment of any Buyer Owned Tool is needed, Seller shall send Buyer a 12 (twelve) months prior written notice before such refurbishment shall be performed, through the appropriate system, with all evidence establishing the need of such refurbishment. Buyer will then decide whether such refurbishment shall be implemented or not.

Purchasing Internal Reference :

Sourcing #

If Buyer accepts to refurbish such Buyer Owned Tool, Seller shall, if necessary, constitute a sufficient stock of Production Parts and/or Service Parts, as the case may be, in order to meet all Buyers' needs.

The financial conditions of such refurbishment will be then discussed in good faith by the Parties. Notwithstanding the foregoing, in case of refurbishment of a Buyer Owned Tool caused by a fault or negligence of Seller, Seller shall take in charge all costs of such refurbishment.

It is understood by the Parties that any Buyer Owned Tool refurbished shall remain the property of the related Buyer.

Sourcing #

Annex 8

Logistics and Delivery Conditions

1 Logistics and delivery conditions for the Production Parts

The Production Parts shall be delivered by Seller to Buyer in accordance with the following:

Buyer's plant(s) to be delivered and the term of delivery according to the Incoterms of the ICC, Edition 2020	[For each plant delivered, fill in the Incoterm, the place of Incoterm and eventually logistic provider for the dispatch (ex: MAF, GEFCO, HORDAIN, IFast)]
Type of transport	[To be filled in for each Group's plant delivered]
Delivery frequency	[To be filled in for each Group's plant delivered]
Dispatched location of the Production Parts and COFOR of the expedition site:	[To be filled in]
Type of delivery	[To be filled in for each Group's plant delivered; Synchrone, sparte...]
Packaging description	[To be filled in]
Number of Production Parts per packaging	[To be filled in]

2 Logistics and delivery conditions for the Production Parts prototypes, Off Tool & Off Process Pre-Production Parts

The Production Parts prototypes, Off Tool & Off Process Pre-Production Parts shall be delivered by Seller to Buyer in accordance with the following:

	Production Parts prototypes	Off Tool Pre-Production Parts	Off Process Pre-Production Parts
Buyer's plant(s) to be delivered and the term of delivery according to the Incoterms of the ICC, Edition 2020	DAP [Fill in the place of INCOTERM]	DAP [Fill in the place of INCOTERM]	[For each plant delivered, fill in the Incoterm, the place of Incoterm and eventually logistic provider for the dispatch (ex: MAF, GEFCO, HORDAIN, IFast)]
Type of transport	[To be filled in for each Group's plant delivered]	[To be filled in for each Group's plant delivered]	[To be filled in for each Group's plant delivered]
Packaging description	[To be filled in]	[To be filled in]	[To be filled in]

3 Logistics and delivery conditions for the Service Parts

The Service Parts shall be delivered by Seller to Buyer in accordance with the following:

Place to be delivered and term of delivery according to the Incoterms of the ICC, Edition 2020	[For each plant delivered, fill in the Incoterm, the place of Incoterm and eventually logistic provider for the dispatch (ex: MAF, GEFCO, HORDAIN, IFast)]
Type of transport	[To be filled in for each Group's plant delivered]
Delivery frequency	[To be filled in for each Group's plant delivered]
Dispatched location of the Production Parts and COFOR of the expedition site:	[To be filled in]
Type of delivery	[To be filled in]
Packaging description	[To be filled in]
Number of Production Parts per packaging	[To be filled in]

Purchasing Internal Reference :

Sourcing #

Annex 9

Quality level

In compliance with Article 11.1 of the Purchase Agreement, the parties agree that the following Quality commitments will be satisfied.

Months In Service of the Application	Until 36	Until 60
Claims, maxi IPMP		

Purchasing Internal Reference :

Sourcing #

Annex 10
Property and use of Intellectual Property

Foreground IPR :

Foreground IPR	Selected option of Section 4.1 of Europe GTC Exhibit
BOT	Option
Goods	Option

Background IPR :

Background IPR	Selected option of Section 4.2 of Europe GTC Exhibit
BOT	Option
Goods	Option

Sourcing #

Annex 11 Pre-Production Parts

1. Price of the Production Part prototypes

<u>Production Part Prototype</u>		
Description	Price	Currency

2. Price of the Off Tool Pre-Production Parts

The parties agree that in no event the price of the Off Tool Pre-Production Parts shall be higher than 3 (three) times the price of the Production Part

<u>Off Tool Pre-Production Part</u> (any part having the same technical specifications as those of the Production Parts, manufactured by Seller with the Buyer Owned Tools but not on the mass production line)		
Description	Price	Currency

For the sake of clarity, the moment Buyer takes over the transportation, it shall trigger a changeover from Off Tool Pre-Production Part to Production Part, the price being adjusted accordingly.

3. Price of the Off Process Pre-Production Parts

The price of each Off Process Pre-Production Part (any part having the same technical specifications as those of the Production Parts, manufactured by Seller with the Buyer Owned Tools, on the mass production line before the milestone named "SOP" (Start Of Production ramp-up) is the same as the price applicable to the Production Part as set out in Article 4.

Purchasing Internal Reference :

Sourcing #

Annex 12
Raw material clause

[Please refer to the Raw Material clause attached to the RFQ]

Annex 13
Currencies clause

[to be used only when a portion of the price is not in euros]

A portion of the Base Price is established on the basis of the following:

1. **[X]**% of the Base Price in euros,
2. **[Y]**% of the Base Price in **[CURRENCY]**. This portion of the Base Price has been calculated on the basis of the following reference exchange rate: 1 euro = **[CURRENCY RATE]**.

This portion of the Base Price shall be adjusted for the first time at the SORP by taking into account the average official daily exchange rate between euro and **[CURRENCY]**, as published by the European Central Bank, as it was in force during the last three (3) months preceding the SORP.

Thereafter, this portion of the Base Price shall be adjusted every six (6) months by taking into account the average official daily exchange rate between euro and **[CURRENCY]**, as published by the European Central Bank, as it was in force during the last six (6) months.

Taking into account the evolution of the portion of the Base Price set out above, the Base Price shall be adjusted accordingly.