

## **General Terms and Conditions PECOL Automotive S.A. (1<sup>st</sup> January 2021)**

### **1. General Remarks**

- 1.1. These General Terms and Conditions apply to any Supplier's commercial practice in the industry of mechanical fasteners and similar parts, in general, to any product manufactured, assembled and sold by PECOL Automotive S.A.
- 1.2. All deliveries and services are provided exclusively on the basis of the terms and conditions below and any other agreements. In addition to these General Terms and Conditions, any specifications, drawings, descriptions, standards and other documents, and in particular agreements of confidentiality and compliance agreements stipulated between PECOL Automotive S.A. and the contractual partner, as amended, are applicable. Contractual partner's contradictory or additional terms and conditions, or terms deviating from the PECOL Automotive S.A. General Terms and Conditions not expressly acknowledged by PECOL Automotive S.A. in writing, are not valid.
- 1.3. These General Terms and conditions also apply to all future orders and contractual relations between PECOL Automotive S.A. and the contractual partner, unless agreed otherwise.
- 1.4. The parties to the contract shall either jointly document any verbal agreements, e.g., in the form of negotiation records, or immediately confirm them in detail and in written form.

### **2. Long-Term and call-off purchase contracts**

- 2.1. Unlimited contracts and contracts with a term of more than one year (long-term contracts) can be terminated by both parties at any time giving six months' notice.
- 2.2. If a major change in the cost of labour, raw material or energy occurs in the course of a long-term contract, each of the parties to the contract shall have the right to demand adequate adjustment of the price having regard to these factors.
- 2.3. Where the contractual partner purchases less than the annual quantity informed in inquiry phase, PECOL Automotive S.A. has the right to increase the unit price by an appropriate amount.
- 2.4. In the case of call supply contracts, unless otherwise agreed, binding quantities are to be notified to PECOL Automotive S.A. by call not less than four months before the delivery date.
- 2.5. Any additional costs caused by PECOL Automotive S.A. contractual partner through late order or subsequent amendments to the order schedule in respect of time or quantity will be negotiated the extra cost jointly with the contractual partner.

### **3. Prices**

- 3.1. PECOL Automotive S.A. prices are in Euro, exclusive of turnover tax, customs duties and insurance. Statutory turnover tax will be stated separately on the invoice in the amount applicable at invoice date.
- 3.2. Unless otherwise agreed, PECOL Automotive S.A. shall invoice in €/1000 (Euro per thousand parts).

### **4. Payment terms**

- 4.1. All invoices are due for payment according payment terms informed in PECOL Automotive S.A. commercial offer.

- 4.2. If PECOL Automotive S.A. has indisputably supplied goods which are partly defective, the contractual partner is nevertheless obliged to pay for the non-defective part, unless partial delivery is of no use to the contractual partner has settled all claims when due.
- 4.3. If the payment terms are not met, PECOL Automotive S.A. shall be entitled to bill interest on arrears at the rate 5% of products price.
- 4.4. In the event of any delay in payment, PECOL Automotive S.A. may, after giving notice in writing to the contractual partner, suspend its obligations until payments have been received.

## **5. Delivery**

- 5.1. Unless otherwise agreed, PECOL Automotive S.A. shall deliver "ex – Works"/"EXW". Compliance with the delivery date or delivery period will be based on PECOL Automotive S.A. shipping order.
- 5.2. Goods which are notified as being ready for dispatch are to be taken over immediately by the contractual partner.
- 5.3. On contractual partner's request, PECOL Automotive S.A. will take out transport insurance to cover the delivery. The contractual partner shall bear the costs.
- 5.4. Partial deliveries are permitted within reasons. They will be invoiced separately.
- 5.5. Production-related long or short deliveries are permitted within a tolerance of 10% of the total order quantity.
- 5.6. When PECOL Automotive S.A. can anticipate that it will not be able to deliver the goods within the delivery period, PECOL Automotive S.A. shall immediately inform the contractual partner in writing of the reasons for this and also if possible, indicate the probable delivery date.

## **6. Confidentiality (Drawings and specifications)**

PECOL Automotive S.A. reserves property rights and copyrights in all specifications, drawings, cost breakdown and other documents. This also applies to written documents marked « confidential ». Before disclosing these documents to third parties, the contractual partner must procure PECOL Automotive S.A. express consent in writing.

## **7. Samples and Production equipment**

- 7.1. Manufacturing costs for samples and productions equipment (tools, templates, etc.) will, unless otherwise agreed, be invoiced separately from the goods to be supplied. This also applies to production equipment which has to be replaced as a result of wear and tear.
- 7.2. If during the period of manufacture of samples or production equipment, the contractual partner abandons or terminates the operation without PECOL Automotive S.A. giving the contractual a justified reason to do so, all the manufacturing costs incurred up to that time Will be borne by that contractual partner.
- 7.3. Even where the contractual partner has paid for it, the production equipment remains PECOL Automotive S.A. property at least until completion of the supply contract. The contractual partner is then to reclaim the production equipment, where a mutual agreement has been reached in respect of the time of delivery and the contractual partner has fully complied with its contractual obligations.

## **8. Quality defects**

- 8.1. In the contractual partner can assert claims for defects only if it duly fulfilled the requirement to inspect and to make a complaint in respect of a defect immediately on a receipt of goods.
- 8.2. The quality of the goods is determined exclusively by the agreed technical supply specifications, samples and the like provided by the contractual partner, the later will take over the risk of fitness for the intended use.
- 8.3. PECOL Automotive S.A. shall not take liability either for any material defects consequence of unsuitable modifications (coatings, heat treatments or deformations) or rework undertaken by the contractual partner or third parties without PECOL Automotive S.A. approval.
- 8.4. Complaints about obvious faults shall be made in writing immediately after receipt of the goods, and about hidden faults immediately after occurrence of the failure.
- 8.5. If an acceptance test or initial samples phase was agreed, notification of defects which could have been discovered by the contractual partner in the course of thorough acceptance test or initial samples test is excluded.
- 8.6. PECOL Automotive S.A. must be given opportunity of assessing the reported defect. The goods complained of must be returned to PECOL Automotive S.A. immediately; PECOL Automotive S.A. will take over the transport costs where the notice of defect is justified. If the contractual partner, without PECOL Automotive S.A. approval, modifies the product which are subject to a complaint already submitted to PECOL Automotive S.A., any claims for material defects shall be excluded.
- 8.7. In case of notice of defect which is justified and made at the due and proper time, PECOL Automotive S.A. will, at its own choice, make improvements to the goods complained of or supply a replacement free of defect. In case of a defective delivery, the contractual partner shall allow PECOL Automotive S.A. to have the stock sorted at short notice.

## **9. Other claims, liability**

- 9.1. Unless otherwise specified below, any additional or more extensive claims by the contractual partner against PECOL Automotive S.A. are excluded. This shall apply in particular to claims for damages for a breach of duties arising from delays, impossibility of performance, culpable breach of contractual ancillary obligations, and torts. PECOL Automotive S.A. is therefore not liable for any damage not deriving from the delivered goods themselves. PECOL Automotive S.A. is in particular not liable for any loss of profit, damage from interrupted operation, or other financial losses by the contractual partner.
- 9.2. The limitations of liability indicated above do not apply in the case of specific intent, gross negligence on the part of PECOL Automotive S.A. legal representatives or executive employees, and in the event of culpable violation of significant contractual obligations.
- 9.3. If the contractual partner intends to assert claims against PECOL Automotive S.A. pursuant to the above regulations, it shall inform and consult PECOL Automotive S.A. immediately and in full detail. It shall give PECOL Automotive S.A. the opportunity to examine the damage. The contractual parties shall coordinate the measures to be taken, in particular in case of settlement negotiations.
- 9.4. Insofar as PECOL Automotive S.A. liability is excluded or limited, this is also applicable to the personal liability of PECOL Automotive S.A. employees, workers, personnel, legal representatives and vicarious agents.

**10. Force majeure**

Acts of God, industrial disputes, disturbances, official measures, non-arrival of deliveries from PECOL Automotive S.A. suppliers and other unpredictable, unavoidable and serious events will release PECOL Automotive S.A. for its duty to perform for the duration of the disturbance and to the extent of its effect. This is also applicable where these events occur at a time when PECOL Automotive S.A. is in default. The parties to the contract undertake to immediately provide, within the limits of reasonableness, any information necessary and adapt their obligations to changed circumstances in good faith.

**11. Place of jurisdictions and applicable law**

11.1. The contractual relationship is exclusively subject to the laws of the Portugal.

11.2. If a provision of these General Terms and Conditions and additional agreements concluded by the parties to the contract is or becomes invalid, the validity of the remaining stipulations of the contract shall not be affected.