

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

NU RIDE INC., *et al.*,¹

Reorganized Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

NU RIDE INC.,

Plaintiff,

v.

BARRY L LEONARD AND COMPANY
INC.,

Defendant.

Adv. Pro. No _____

NU RIDE INC.'s COMPLAINT AGAINST BARRY LEONARD

¹ The Reorganized Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Reorganized Debtors' service address is: Nu Ride Inc. c/o William Gallagher, CEO, M 3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.



INTRODUCTION

1. This action arises from Barry L Leonard and Company Inc.'s ("Barry Leonard") refusal to refund over \$1,000,000 in overpayments it received from Lordstown EV Corporation ("LEVC"). Between April 2021 and March 2022, Barry Leonard and LEVC entered certain purchase orders for parts to contribute to LEVC's electric vehicle, the Endurance truck. This included tooling, rotor housing, and stator housing parts. In connection with such purchase orders, LEVC made substantial prepayments to Barry Leonard, including \$879,851.50 for certain tooling parts and \$707,600 for rotor and stator housing parts.

2. With respect to the tooling, the entire purchase order was priced at \$879,851.50. Only fifty percent of the total price was subject to pre-payment. The balance was to be paid upon approval under the Production Plant Approval Process ("PPAP"). No PPAP approval was ever granted and, accordingly, Barry Leonard received a \$437,955.00 overpayment ("Tooling Overpayment"). The Tooling Overpayment is property in which Nu Ride has a property interest and must be returned.

3. With respect to the housing parts, a prepayment of \$707,600 was made by LEVC to Barry Leonard on May 28, 2021. Barry Leonard did not perform substantial work fabricating the parts prior to March 31, 2022 and the parties' contemporaneously acknowledged that an outstanding deposit of \$646,806.36 remained outstanding. On November 8, 2022, LEVC directed Barry Leonard to discontinue production on these components. Upon termination, no payments were due to Barry Leonard and LEVC was entitled to a refund of the outstanding deposit of \$646,806.36 (the "Housing Overpayment," and together with the Tooling Overpayment, the "Overpayments"). The Housing Overpayment is property in which Nu Ride has a property interest and must be returned.

4. Each of the Purchase Orders are governed by LEVC's General Production Terms and Conditions (Ex. 1 "Terms"). Pursuant to the Terms, Barry Leonard was obligated to "promptly notify Buyer of any overcharges and to refund any excess amounts charged by Seller to Buyer" (*Id.* Section 6.1.) Moreover, upon a termination for convenience, LEVC is only responsible for the cost of finished products that conform to the Contract and are delivered to and accepted by LEVC. (*Id.* Section 11.6.) Barry Leonard was thus obligated to refund the Overpayments to LEVC.

5. Despite best efforts to reach a resolution on this overpayment, Barry Leonard has refused to return the Overpayments to Nu Ride (the successor in interest to LEVC under the Plan). Instead, it has asserted claims against LEVC during the Chapter 11 Case.² Barry Leonard's failure to remit a refund on the purchase orders are direct breaches of contract. Barry Leonard's improper retention of the overpayment also gives rise to claims for unjust enrichment and conversion.

PARTIES

6. Nu Ride Inc. ("Nu Ride" or "Plaintiff") is a corporation organized and existing under the laws of the State of Delaware. Nu Ride is the post-emergence reorganized entity and successor to the rights, assets, and obligations of the Debtors in the Chapter 11 Cases pursuant to the Confirmation Order (defined below).

7. Barry Leonard is a car parts manufacturer located in Winston-Salem, North Carolina.

² Barry Leonard's claims remain subject to objection by the Claims Ombudsman, pursuant to the Plan. Nu Ride reserves all rights of setoff with respect to such claims.

JURISDICTION AND VENUE

8. This is an adversary proceeding commenced pursuant to Rule 7001 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) because this matter is a proceeding to recover money or property belonging to the Debtor. *See* Bankruptcy Rule 7001(1).

9. This Court has jurisdiction over this adversary proceeding under 28 U.S.C. § 1334 and *In the matter of: Standing Order of Reference to Bankruptcy Court under Title 11*, Amended Standing Order of Reference, dated February 29, 2012.

10. This adversary proceeding arises under, arises in, and/or relates to Nu Ride’s chapter 11 bankruptcy case, which is pending in the United States Bankruptcy Court for the District of Delaware. This action is a Retained Cause of Action, as set forth on Exhibit C-1 to the *Third Supplemental Plan Supplement* [Docket No. 1057] to the *Third Modified First Amended Joint Chapter 11 Plan of Lordstown Motors Corp. and its Affiliated Debtors* [Docket No. 1066] (the “Plan” and the Order confirming the Plan [Docket No. 1069], the “Confirmation Order”).

11. This action is a core proceeding under 28 U.S.C. § 157(b)(2).

12. Venue is proper before this Court pursuant to 28 U.S.C. § 1409. Nu Ride consents to the entry of final orders or a final judgment by the Court in this adversary proceeding.

13. The statutory bases for the relief requested herein are sections 105(a), 362(a), 502(d), 542, and 543 of title 11 of the United States Code (the “Bankruptcy Code”). Declaratory relief is appropriate pursuant to Bankruptcy Rule 7001 and the Declaratory Judgment Act, 28 U.S.C. § 2201.

14. Barry Leonard submitted to the jurisdiction of this Court by filing a claim in the Chapter 11 Case on September 21, 2023.

15. Venue is proper in this district under 28 U.S.C § 1391, 1408 and 1409.

FACTUAL ALLEGATIONS

LEVC Enters Into Purchase Orders With Barry Leonard

16. On June 27, 2023 (the “Petition Date”), Lordstown Motors Corp. (now known as Nu Ride) and its affiliated debtors (the “Debtors”) commenced voluntary cases under Chapter 11 of the Bankruptcy Code in this Court (the “Chapter 11 Cases”).

17. Prior to the Petition Date, the Debtors were in the business of developing, manufacturing, and selling electric vehicles, primarily to commercial fleet customers. The company’s flagship vehicle was the “Endurance,” a full-size, all-electric pickup truck.

18. In connection with the manufacture of the Endurance, LEVC contracted with certain third parties, to manufacture components for the Endurance.

19. One such supplier was Barry Leonard. Between April 2021 and March 2022, LEVC and Barry Leonard entered into five purchase orders that form the basis of this action. Four of these purchase orders concerns the fabrication of certain rotor and stator housing parts and one of the purchase orders relates to tooling parts.

20. On or around January 2021, Barry Leonard and LEVC entered into a purchase order for certain tooling parts. (Ex. 2 (“Purchase Order 107177”).) Pursuant to Purchase Order 107177, Barry Leonard agreed to provide certain tooling parts for a total price of \$879,851.50. On January 29, 2021, LEVC made a pre-payment of \$439,925.75, which represented fifty percent of the total price. It subsequently made a payment for the same amount on September 13, 2021.

21. Separately, the parties entered their first purchase order relating to rotor and stator housing units on, or around, April 22, 2021. This purchase order provided for 20,000 units to be supplied at a total cost of \$2,830,400.00. (Ex. 3 (“Purchase Order 108260”).) The next month, on May 28, 2021, a prepayment of \$707,600 was made by LEVC to Barry Leonard.

22. On March 11, 2022, the parties replaced Purchase Order 108260 with three Schedule Agreement Purchase Orders. The new purchase orders increased the fixed direct unit cost of the housing units. For instance, the cost of rotor housing units with yokes was increased from \$139.54 to \$187.57 per unit. (*See* Ex. 4 (“Purchase Order 110981”).) The cost of right hand stator housing units was increased from \$143.50 to \$187.57. (*See* Ex. 5 (“Purchase Order 110982”).) Likewise, the cost of left hand stator housing units was increased from \$143.50 to \$187.57. (*See* Ex. 6 (“Purchase Order 110983”) and collectively with Purchase Orders 110981 and 110982, the “Housing Purchase Orders”).) Each of the Housing Purchase Orders removed the specified quantity of items to be delivered.

Key Contractual Provisions

23. The Purchase Orders are further governed by LEVC’s General Production Terms and Conditions (the “Terms”). Each of the Housing Purchase Orders states:

Unless otherwise agreed to in writing and signed by the Vice President of Purchasing of Lordstown EV Corporation (“LMC”), this Purchase Order is governed by the Lordstown EV Corporation General Production Terms and Conditions (“Terms”) available on the LMC supplier portal and upon request. The Terms and all Supplemental Documents (as defined in the Terms) are incorporated by reference herein and shall be deemed part of the contract between LMC and Supplier even though such documents are not attached to this Purchase Order. The entire relationship between LMC and Supplier, including this Purchase Order, is exclusively governed by the Terms. Any additional or different terms, whether contained in Supplier’s forms or otherwise presented by Supplier at any time, are hereby rejected, unless in writing and signed by the Vice President of Purchasing of LMC. In the event that LMC has already received an offer from Supplier, LMC hereby rejects Supplier’s offer and makes a counteroffer in the form of the Terms, which Supplier shall be deemed to accept as specified in the Terms.

24. Barry Leonard also acknowledged that the Terms applied to Purchase Order 107177 in a communication on March 3, 2022 through a quotation sheet it provided to LEVC. (*See* Ex. 7 (March 3, 2022 Quotation Sheet)³.)

25. Pursuant to the Terms, the seller is obligated to refund overpayments. Section 6.1 of the Terms states that Barry Leonard “agrees to promptly notify Buyer of any overcharges and to refund any excess amounts charged by Seller to Buyer in violation of this Section 6.”

26. Relatedly, upon termination for convenience, Barry Leonard is not entitled to be paid for finished products and reasonable costs transferring finished products. Section 11.6 of the Terms states:

Upon termination by Buyer under this Section, Buyer will be obligated to pay only the following without duplication: (a) the Contract price for all finished Products in the quantities ordered by Buyer that conform to the Contract and are delivered to and accepted by Buyer for which Seller has not been paid; and (b) Seller’s reasonable actual cost of carrying out its obligation under Section 11.6(d).⁴ Buyer shall pay for Seller’s reasonable actual cost of merchantable and usable work-in-process, as well as any parts and materials, which Buyer requests be transferred to it under Section 11.6(b). Buyer’s obligation for any Seller claims related to termination will not exceed the obligation Buyer would have had to Seller in the absence of termination. Seller will furnish to Buyer, within one month after the date of termination, its termination claim, which will consist exclusively of the claims eligible for reimbursement by Buyer to Seller that are expressly permitted by this Section. Buyer may audit Seller’s records before or after payment to verify amounts requested in Seller’s termination claim.

27. Accordingly, at the time a purchase order is terminated, the amount of overpayment must be returned unless it is appropriate for payment under Section 11.6 of the Terms: *e.g.*, finished products accepted by LEVC.

³ In the March 3, 2022 quotation sheet, Barry Leonard acknowledged that “Tooling” was only “50% due with purchase order with the balance due on PPAP approval.” This is a requirement under the Terms. (*See* Terms Section 10.1.)

⁴ Section 11.6(d) of the Terms sets forth Barry Leonard’s obligations with respect to terminating work and delivering parts and materials after receiving a notice of termination.

28. Additionally, the Terms specify that final payment of a purchase order are not due without approval under LEVC's Production Plant Approval Process. Section 10.1(c) of the Terms states that " Unless otherwise stated in the Contract, final payment for Buyer's Property is due (1) on the vehicle manufacturer's Production Part Approval Process ("PPAP") approval date; or (2) within 90 days after the Property is tendered for PPAP approval if no action has then been taken on the request for PPAP approval." (Terms Section 10.1(c).)

29. Separately, Section 1.3 of the Terms incorporates by reference other supplemental documents that LEVC provided to Barry Leonard. It states:

Buyer will provide copies of or access to the Supplemental Documents, or take reasonable steps to reasonable steps to provide notice of the Supplemental Documents as reasonable under the circumstances, to Seller pursuant to procedures established by Buyer. All applicable Supplemental Documents are incorporated by reference into these Terms notwithstanding the fact that the Supplemental Documents may not be attached to these Terms.

30. Supplemental Documents are defined to include "any other documents designated by Buyer and Seller, such as Buyer's supplier/vendor manuals (including the Supplier Quality Assurance Manual), guidelines, standards, requirements, policies, and procedures; specifications; drawings; and requirements of Buyer's customer generated or provided by or on behalf of Buyer." (Terms, Section 1.2.)

31. One such Supplemental Document is the Forecast and Release Policy that LEVC provided to Barry Leonard. (Ex. 8 (the "Forecast Policy").) The Forecast Policy limits the circumstances under which Barry Leonard is entitled to recover costs for orders that Barry Leonard placed with its material suppliers. It provides that where, as with the Housing Purchase Orders, there is no specified quantity of products to be supplied, parts will be manufactured pursuant to scheduling forecasts shared between the parties. (Forecast Policy Section 2.2.) It further provides

that LEVC will only be responsible for backstopping Barry Leonard's orders to its suppliers for materials by purchasing "Excess Materials".

32. Forecast Policy Section 2.2.2.d.1 defines "Excess Materials" as "those materials purchased by Supplier Pursuant to any Scheduling Forecast issued by Buyer or Designated Purchaser no earlier than twelve (1) weeks prior to production . . . that were not actually used in the production of the products." Accordingly, materials purchased outside of this window are not considered "Excess Materials" subject to purchase by LEVC.

33. Forecast Policy Section 2.2.2.d.2 further limits the scope of any backstop obligation. It states that "As a condition to Designated Purchaser or Buyer's obligation to purchase the Excess Materials, Supplier must demonstrate it used reasonable efforts to mitigate any cost to Designated Purchaser or Buyer and that the Supplier is unable to use the Materials in any other way."

34. Finally, Forecast Policy Section 2.2.2.d.3 states that "To be eligible for purchase by Designated Purchaser or Buyer, the Excess Material must not have been purchased in amounts in excess of that necessary to produce Products in amounts shown on the Scheduling Forecasts."

35. Pursuant to Section 21.13 of the Terms, the Purchase Orders are governed by Michigan law.

Barry Leonard Impermissibly Receives Tooling Overpayment

36. As described above, the entire price of Purchase Order 107177 was \$879,851.50. Pursuant to Section 10.1(c) of the Terms, final payment of which was not due until Barry Leonard had received PPAP approval.

37. Barry Leonard acknowledged this requirement on March 3, 2022 when it provided a quotation sheet which states “Tooling: 50% Due with purchase order with balance due on PPAP approval.” (Ex. 7 (Quotation Sheet).)

38. Consistent with this understanding, \$439,925.75, or 50 percent of the total payment, was deposited promptly after entering Purchase Order 107177 in January 2021.

39. Barry Leonard never received PPAP approval for Purchase Order 107177 and the purchase order was cancelled. Notwithstanding the lack of PPAP approval, LEVC paid Barry Leonard an additional \$439,925.75 on September 13, 2021.

40. The Tooling Overpayment was not due under the Terms and was required to be refunded pursuant to Sections 6.1 and 11.6 of the Terms.

41. Despite requests for a refund, Barry Leonard has retained possession of the Tooling Overpayment and refused to pay a refund.

Barry Leonard Refuses to Refund Housing Overpayment

42. As described above, LEVC paid Barry Leonard a prepayment deposit of \$707,600 in connection with the Housing Purchase Orders. Of that amount, the parties understood that \$648,806.36 remained outstanding as of March 31, 2022.

43. Subsequently, on November 8, 2022, LEVC directed Barry Leonard to discontinue production thereby terminating their relationship. At all times, Barry Leonard was obligated to mitigate losses and to avoid incurring unnecessary expenses – *e.g.*, procuring materials that would be unnecessary.

44. Consistent with Section 11.6 of the Terms, LEVC paid for all finished products supplied by Barry Leonard under the Housing Purchase Orders through January 23, 2023, and was

entitled to a refund of the Housing Overpayment of \$648,806.36. The Housing Overpayment is not subject to any offset under the Forecast Policy.

45. Notwithstanding LEVC's entitlement to a refund, Barry Leonard has refused to refund the Housing Overpayment.

46. Barry Leonard asserted a claim in the Chapter 11 case insisting that, among other things, it was entitled to additional payments from LEVC and to offset costs under the Housing Purchase Orders pursuant to the Forecast Policy. This claim remains subject to objection and setoff.

COUNT 1
(Breach of Contract – Purchase Order 107177)

47. Plaintiff repeats and realleges all preceding paragraphs of the Complaint as if fully set forth herein.

48. Purchase Order 107177 is a valid contract and includes the Terms and Supplemental Documents.

49. LEVC performed each of its obligations under Purchase Order 107177.

50. Barry Leonard breached its obligations under Purchase Order 107177 Sections 6.1 and 11.6 by failing to refund LEVC the Tooling Overpayment of \$439,925.75.

51. Nu Ride was harmed by the breaches of the Purchase Orders in an amount no less than \$439,925.75 to be proven at trial.

COUNT 2
(Breach of Contract – Housing Purchase Orders)

52. Plaintiff repeats and realleges all preceding paragraphs of the Complaint as if fully set forth herein.

53. The Housing Purchase Orders are valid contracts and includes the Terms and Supplemental Documents.

54. LEVC performed each of its obligations under the Housing Purchase Orders.

55. Pursuant to Section 6.1 and 11.6 of the Terms, which are expressly incorporated into the Housing Purchase Orders, Barry Leonard was obligated to refund LEVC for overpayments and was not entitled to retain overpayments after termination.

56. Barry Leonard breached its obligations under the Housing Purchase Orders by failing to refund LEVC the Housing Overpayment of \$648,806.36.

57. Nu Ride was harmed by the breaches of the Housing Purchase Orders in an amount no less than \$648,806.36 to be proven at trial.

COUNT 3
(Unjust Enrichment)

58. Plaintiff repeats and realleges all preceding paragraphs of the Complaint as if fully set forth herein.

59. LEVC pleads this count as an alternative pleading in the event the Court finds there is no valid agreement between LEVC and Barry Leonard.

60. LEVC conferred a valuable benefit on Barry Leonard by providing it with prepayment of \$879,851.50 in anticipation of receiving tooling parts and \$707,600 for rotor and stator housing parts.

61. Barry Leonard has been unjustly enriched at the expense of LEVC by taking possession and control of the Overpayments.

62. As a direct and proximate result of the unjust enrichment, Nu Ride has been damaged in an amount to be determined at trial.

COUNT 4
(Conversion)

63. Nu Ride repeats and realleges all preceding paragraphs of the Complaint as if fully set forth herein.

64. Nu Ride pleads this count as an alternative pleading in the event the Court finds there is no valid agreement between LEVC and Barry Leonard.

65. LEVC had a property right in and a right to immediate possession of the Overpayments that it provided to Barry Leonard.

66. Nu Ride contacted Barry Leonard and demanded repayment of the overpaid funds.

67. Barry Leonard did not repay Nu Ride for the Overpayments.

68. Nu Ride did not consent to a debtor-creditor relationship by providing Barry Leonard with the Overpayments and Barry Leonard's failure to return the Overpayments constitutes a conversion of money.

69. Nu Ride has been harmed as a result of Barry Leonard's failure to return the Overpayments in an amount to be proven at trial.

COUNT 5
(28 U.S.C. 542 - Turnover)

70. Plaintiff repeats and realleges all preceding paragraphs of the Complaint as if fully set forth herein.

71. Barry Leonard is an entity other than a custodian that is in possession, custody, and/or control of property that Nu Ride could use, sell, or lease under Section 363 of the Bankruptcy Code and in which Nu Ride has property interests, *i.e.*, the Tooling Overpayment made by LEVC of \$439,925.75 pursuant to Purchase Order 107177 and the Housing Overpayment made by LEVC of \$648,806.36 pursuant to the Housing Purchase Orders.

72. Alternatively, Barry Leonard is the custodian of the Overpayments. Through service of this Complaint, Nu Ride gives Barry Leonard notice of this Adversary Proceeding. Thus, Barry Leonard must "deliver to [Nu Ride] any property of [LEVC] held by or transferred to [Barry Leonard], or proceeds, product, offspring, rents, or profits of such profits, that is in [Barry

Leonard's] possession, custody, or control on the date that [Barry Leonard] acquires knowledge of the commencement of the case.” *See* 11 U.S.C. § 543.

73. Pursuant to § 542, or, alternatively, § 543 of the Bankruptcy Code, and as further permitted by § 105 of the Bankruptcy Code, Nu Ride respectfully requests an order of this Court directing Barry Leonard to immediately release and turn over the Overpayments to Nu Ride.

COUNT 6
(Declaratory Judgment)

74. Nu Ride repeats and realleges all preceding paragraphs of the Complaint as if fully set forth herein.

75. There is an actual controversy between Nu Ride and Barry Leonard as to whether Nu Ride is entitled to recover the Overpayments made to Barry Leonard under Purchase Order 107177 and the Housing Purchase Orders, respectively.

76. As such, in accordance with 28 U.S.C. § 2201 and Bankruptcy Rule 7001(i), Nu Ride seeks a judgment declaring that Nu Ride is entitled to recover the Overpayments.

77. A declaratory judgment is necessary and useful in resolving the actual, substantial, and justiciable controversy as set forth above.

78. A declaratory judgment is necessary, appropriate, and useful at this time under all the circumstances to declare that Nu Ride is entitled to recover the Overpayments.

79. A declaratory judgment would further the public interest and considerations of practicality and of efficient judicial administration.

COUNT 7
(11 U.S.C. § 502(d) - Disallowance of Claims)

80. Nu Ride repeats and realleges all preceding paragraphs of the Complaint as if fully set forth herein.

81. In accordance with 11 U.S.C. § 502(d), AIPC is a defendant of claims alleged for which rights of setoff may be available pursuant to 11 U.S.C. § 553.

82. AIPC has not paid the amounts for which they are liable pursuant to the above-cited provisions of the Bankruptcy Code.

83. Pursuant to U.S.C. § 502(d), any and all claims held by AIPC must be disallowed until such time as the payments and security interests sought herein to be avoided and recovered and the damages sought herein are paid in setoff, as applicable.

WHEREFORE, Nu Ride requests that the Court enter a judgment against Barry Leonard granting the following relief:

- a. Money damages in an amount to be proven at trial not less than \$1,088,732.11;
- b. An order that the Overpayments are property of the Debtors' estates that must be turned over to Nu Ride pursuant to Section 542 of the Bankruptcy Code;
- c. Incidental, consequential and actual damages;
- d. Declaratory judgment that \$1,088,732.11 is owed to Nu Ride;
- e. Disallowance of Barry Leonard's claim;
- f. Costs, interest, and attorneys' fees; and
- g. Such other and further relief as this Court deems just.

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Dated: June 27, 2025
Wilmington, Delaware

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Counsel to Nu Ride Inc.

EXHIBIT 1

Terms

**LORDSTOWN EV CORPORATION
GENERAL PRODUCTION TERMS AND CONDITIONS**

These General Production Terms and Conditions (these “**Terms**”) are by and between Lordstown EV Corporation (“**LMC**”) or the Designated Purchaser issuing the Purchase Order pursuant to which Products are provided, as applicable (each a “**Buyer**”), and the vendor or supplier providing Products to Buyer (“**Seller**”). A table of defined terms identifying the section in the body of these Terms where such term is defined is set forth on the Appendix of Defined Terms at the end of these Terms.

1. The Contract.

1.1 Applicability. These Terms apply to the purchase by Buyer of Goods and Services (collectively, “**Products**”) that are part of or utilized in the production of LMC-branded vehicles (“**Vehicles**”). “**Goods**” means raw materials, tooling, export parts, trial parts, goods, production parts, service parts, accessories, components, software and intellectual property, and tools and supplies; and “**Services**” means any direct or indirect services related to or utilized in the production of Goods or the Vehicle, in each case that are supplied, designed, developed, engineered, processed, produced, manufactured, delivered, or otherwise provided to Buyer by or on behalf of Seller. These Terms are effective and shall apply to the relationship between Seller and LMC as of March 1, 2022, including (a) all Products delivered to Buyer on or after that date; and (b) all Purchase Orders in effect as of or issued after that date.

1.2 Offer and Acceptance. Buyer shall purchase Products from Seller by issuing a purchase order, or other comparable written order (each a “**Purchase Order**”) pursuant to these Terms. Each Purchase Order Buyer issues to Seller is Buyer’s offer to purchase the Products identified in that Purchase Order. The contract between Buyer and Seller (the “**Contract**”) shall comprise of: (a) the Purchase Order; (b) these Terms; (c) any Release issued pursuant to the Purchase Order; and (d) any other documents designated by Buyer that supplement these Terms or the Purchase Order and further define the relationship between Buyer and Seller, such as Buyer’s supplier/vendor manuals (including the Supplier Quality Assurance Manual), guidelines, standards, requirements, policies, and procedures; specifications; drawings; and requirements of Buyer’s customer generated or provided by or on behalf of Buyer (collectively, the “**Supplemental Documents**”), all as

may be modified from by Buyer time to time. Seller will be deemed to have accepted the Contract upon the earliest to occur of: (i) Seller’s acknowledgment in writing of its acceptance of the Contract, including submission of any invoice, shipping notice or other evidence of shipping, or any other documentation that demonstrates Seller is performing its commercial relationship with Buyer; (ii) Seller’s commencement of performance under the Contract, or Seller’s continuing and ongoing performance under the Contract; or (iii) Seller’s failure to reject the Purchase Order in writing within three (3) days of Buyer’s issuance thereof.

1.3 Supplemental Documents. Buyer will provide copies of or access to the Supplemental Documents, or take reasonable steps to provide notice of the Supplemental Documents as reasonable under the circumstances, to Seller pursuant to procedures established by Buyer. All applicable Supplemental Documents are incorporated by reference into these Terms notwithstanding the fact that the Supplemental Documents may not be attached to these Terms.

1.4 Purchasing Designee. Seller acknowledges that LMC may designate an affiliate of LMC or other third party, including Foxconn EV System LLC (“**FXN**”) (each a “**Designated Purchaser**”), to issue Purchase Orders to Seller or otherwise purchase Products from Seller (each a “**Designated Purchase Agreement**”). Seller shall not refuse to accept any Designated Purchase Agreement issued in accordance with the Contract. Unless otherwise indicated in the applicable Designated Purchase Agreement and subject to **Section 1.6**, any such Designated Purchase Agreement shall be issued by the applicable Designated Purchaser on its own behalf and not on behalf of LMC. Notwithstanding the existence of such relationship between LMC and a Designated Purchaser, nothing in the Contract limits or restricts the right of LMC to purchase on its own behalf under the Purchase Order.

1.5 Continuous Relationship; Third-Party Beneficiary. These Terms apply to the continuous and ongoing relationship between Seller and LMC, regardless of whether Products are purchased directly from Seller by LMC or by a Designated Purchaser. LMC benefits from the relationship and is an intended third-party beneficiary of the Contract (including any Designated Purchase Agreement) entitled to the benefits of and to enforce the Contract and Seller

acknowledges and agrees to the foregoing. Except as set forth in this **Section 1.5**, the parties do not confer any rights or remedies upon any person other than the parties hereto and their respective successors and permitted assigns.

1.6 Responsibilities under Certain Designated Purchase Agreements. If the Designated Purchaser is FXN, then FXN (and not LMC) shall be solely and exclusively liable to Seller for Buyer's payment obligations under **Section 6**. All other rights and obligations between Seller and Buyer under the Contract shall run directly and exclusively between LMC (and not FXN) and Seller, such that there is privity between LMC and Seller for purposes of enforcement of those rights and obligations.

1.7 Updates. These Terms and the Supplemental Documents may be updated, including, as it relates to Supplemental Documents, exchanged, added, superseded, or deleted, by Buyer from time to time. Buyer will provide copies of or access to such updated Terms or Supplemental Documents, or take reasonable steps to provide notice of the updated Terms or Supplemental Documents, as reasonable under the circumstances, to Seller pursuant to procedures established by Buyer. Any updates to these Terms or a Supplemental Document shall be effective as of the date specified by Buyer and be binding on Seller.

2. Sale of Products.

2.1 No Requirements/Output Contract. Nothing contained in the Contract may be construed to create an exclusive relationship between Seller and Buyer. Buyer may buy or otherwise acquire from other sources products that are similar to or exactly like the Products or reduce quantities acquired from Seller regardless of the course of dealing between the parties. Subject to **Section 2.2**, a Purchase Order does not constitute a requirements or output contract, unless, and then only to the extent, specifically designated as such on the face of the Purchase Order and signed by Buyer and Seller.

2.2 Quantity and Delivery Requirements. The times, quantities, and locations for delivery of the Products ("**Delivery Requirements**") shall be specified in the applicable Purchase Order (including a Release). If the face of a Purchase Order does not specify the quantity of Products to be purchased, or specifies the quantities as "blanket order", "as released", "as scheduled", "as directed", "subject to Buyer's production releases", or other similar language, then, in consideration for ten U.S. dollars (U.S.\$10.00), the payment of which shall be made by

Buyer upon the complete termination of the applicable Purchase Order, Seller grants to Buyer an irrevocable option during the term of the Purchase Order to purchase the Products in such quantities and on such delivery dates and times as indicated in the firm delivery or shipping releases, authorizations, manifests, broadcasts, or similar written instructions issued or transmitted by Buyer to Seller from time to time in reference to the applicable Purchase Order (each a "**Release**"), and Seller shall deliver such quantities on such dates and times, at the price, and on the other terms specified in the Purchase Order; provided that Buyer shall purchase no less than one piece or unit of each of the Products and no more than one hundred percent (100%) of Buyer's requirements for the Products. All references herein to "Purchase Order" shall include any Releases. Time is of the essence in Seller's performance of the Contract. Seller is responsible for obtaining and maintaining at its risk and expense all raw materials, inventories, and other resources and for manufacturing Products necessary to meet Buyer's Delivery Requirements.

2.3 Scheduling Forecasts. Buyer may generate or issue Supplemental Documents that project vehicle volumes or target volumes ("**Scheduling Forecasts**"). Scheduling Forecasts are not firm commitments or guarantees that a certain quantity of Products will be purchased by Buyer. Scheduling Forecasts will be superseded in their entirety by the issuance of an applicable Purchase Order specifying the quantity and Delivery Requirements of Products to be purchased.

2.4 Price. The price for Products shall be specified by Buyer in the Purchase Order. The price is a firm fixed price for the duration of the Purchase Order and not subject to increase for any reason. The purchase price is inclusive of all storage, handling, packaging, and all other costs of Seller.

2.5 Changes. Buyer may from time to time by notice to Seller make changes, within the scope of the Contract, to the drawings, specifications, materials, packaging, testing, quantity, time or method of delivery or shipment, or similar requirements prescribed in the Contract. At Seller's written request, to be made within seven (7) days of Buyer's change notice and accompanied by reasonable supporting documentation, the parties will agree upon, in writing, an equitable adjustment to the Contract prices and times for performance as a result of Buyer's material changes. Seller shall implement the change as soon as possible, regardless of whether the parties have agreed on an equitable adjustment, if any. Seller will not make any change to the Products except at Buyer's

written instruction or with Buyer's written approval. If Seller learns of a possible change to the Products that may reduce costs, improve quality, or otherwise be beneficial to Buyer, Seller shall promptly inform Buyer of the possible change.

2.6 Current Model Service Parts. Seller will make Products covered by the Contract available to Buyer for Buyer's current-model service requirements at the then-current production piece price under the Contract.

2.7 Past Model Service Parts. Seller will make Products available to Buyer for Buyer's past-model service requirements for a period of 15 years after the end of the vehicle production program. Unless otherwise agreed to by Buyer, for the first three years of the past-model service part period the past-model service Products will be produced, sold, and delivered to Buyer at the standard production piece price, on the standard production payment and delivery terms, and otherwise in conformity with the provisions of the Contract. Thereafter, the price for past-model service Products may be adjusted, as agreed to by the parties, to cover Seller's expenses for packaging, handling, and shipping that are unique to the supply of the past-model service Product.

3. Delivery.

3.1 Packing and Shipment. Buyer may specify the method of transportation and the type and number of packing slips and other documents to be provided with each shipment. Seller will pack and ship Products in accordance with Buyer's instructions, including labeling and hazardous materials instructions. If Buyer has not provided packing or shipping instructions, Seller will pack and ship Products in accordance with sound commercial practices. If Seller is required to use Buyer's returnable packaging, Seller will be responsible for cleaning and returning the returnable packaging. If returnable packaging is not available, Seller may use expendable packaging.

3.2 Delivery Schedules. Unless otherwise stated in the Contract, Products will be delivered F.C.A. Seller's dock (Incoterms 2020) and title will transfer upon receipt of the Products by the freight carrier. If Products are not ready for delivery in time to meet Buyer's delivery schedules, the party causing the delay will be responsible for additional costs of any resulting expedited or other special transportation. Buyer shall not be required to make payment for goods delivered to Buyer that are in excess of quantities specified in Buyer's delivery schedules. Buyer may

change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Seller to a modification of the price for Products covered by the Contract.

4. Inspection.

Buyer may, upon reasonable advance notice to Seller, inspect production processes and Property and, subject to Seller's prior written approval, conduct testing at Seller's premises for the sole purpose of verifying Seller's performance under the Contract. Buyer is not required to inspect Products delivered or provided, and no inspection or failure to inspect will reduce or alter Seller's obligations under the Contract.

5. Taxes.

Unless otherwise stated in the Contract, the Contract price includes all applicable federal, state, provincial, and local taxes other than sales, value added, or similar turnover taxes or charges. Seller will separately invoice Buyer for any sales, value added, or similar turnover taxes or charges that Seller is required by law to pay or collect from Buyer.

6. Payment; Invoices; Audits.

6.1 Generally. Except as otherwise stated in the Purchase Order, Buyer shall pay the charges set forth in non-disputed conforming invoices based on a Net 45-day payment term. Seller will promptly submit correct and complete invoices or other agreed billing communications with appropriate supporting documentation and other information reasonably required by Buyer after delivery of Products, and Buyer may withhold payment until a correct and complete invoice or other required information is received and verified. Seller will accept payment by check or other cash equivalent, including electronic funds transfer. Buyer may setoff or deduct from sums owed to Seller under the Contract those sums which the Buyer determines in good faith the Seller owes to Buyer (which for purposes of this sentence, includes both LMC and any Designated Purchaser). Seller assumes the risk of events or causes affecting prices, including foreign exchange rates, increases in raw material costs, inflation, increases in labor, and other production and supply costs. Seller represents that the price charged to Buyer for Products shall not exceed the prices charged to any other customer of Seller for products which are the same or substantially similar to the Products, taking into account the quantities and terms of the Purchase Order. Moreover, Seller agrees to promptly notify Buyer of any overcharges and to

refund any excess amounts charged by Seller to Buyer in violation of this **Section 6**.

6.2 Conforming Invoice. Seller shall issue invoices in conformance with Buyer's instructions as to form, content and method for submission. Payment shall be deemed to occur upon transmittal of payment by Buyer. Invoices must contain the Purchase Order number, if any, and description of Products. In the event of any delay in receiving an invoice, or any error or omissions in any invoice, Buyer may withhold payment without losing its rights to applicable cash discounts and without incurring any additional fee imposed by Seller. Except as otherwise stated in the Purchase Order, all payments will be in U.S. dollars.

6.3 Audit; Records. At Buyer's request, Seller will allow Buyer or its designated representatives to audit its books, records, and other information relating to the Purchase Order to the extent necessary to verify Seller's compliance with completed and current Purchase Orders, including the accuracy of any charges set forth therein. Seller will cooperate with and comply with all reasonable requests from Buyer or its designated representatives in connection with such audit. Seller shall maintain its books, records, and other information relating to each Purchase Order for at least seven years after delivery of the Products provided for in such Purchase Order. Upon completion of any such audit, Buyer and Seller will review the audit report together and work in good faith to agree upon (a) any adjustment of charges to Buyer (including any reimbursement of any overpayment by Buyer or reimbursement to Seller for any underpayment by Buyer); and (b) any appropriate adjustments to Seller's billing practices. If any such audit discloses overpayments that in the aggregate equal one percent or more of the amounts that were actually due as shown by the audit, then Seller will reimburse Buyer for the costs of the audit.

7. Warranties.

7.1 Product Warranty. Seller warrants to Buyer that (a) the Products will be produced and delivered in strict accordance with the terms and requirements set forth in the Contract, including conforming to the Specifications, be free of defects in design (to the extent the Products are designed by Seller or its suppliers), materials, and workmanship, be merchantable, and be fit and sufficient for the particular purpose intended by Buyer and shall conform in all material respects to all applicable laws and regulations in force at the time the Products are produced; (b) the documentation provided by Seller

shall be correct, free from defects, and in sufficient detail to permit Buyer to properly and safely operate and maintain the Products; (c) the Products shall perform in accordance with the performance requirements set forth in the Contract; (d) Seller has the expertise and resources necessary to produce and deliver the Products in accordance with the requirements and specifications (including timeframes) set forth in the Contract, including any statement of work; and (e) to the extent that the Products contain Software delivered to Buyer, Products shall not contain any undisclosed features or any "back door", "time bomb", "Trojan horse", "worm", "drop-dead device", "virus", or other computer software routines or hardware components designed to (i) permit access to or unauthorized use of the Product, the Software, or Buyer's computer systems, (ii) disable, damage, or erase the Product, the Software, or data, or (iii) perform any other such actions, and the Software shall not contain preprogrammed preventative routines or similar devices which prevent Buyer from exercising the rights granted under the Contract and/or from utilizing the Product or the Software for the purpose for which it was designed (collectively, the "**Products Warranty**"). Promptly upon notice from Buyer of, or promptly upon Seller otherwise learning of, any defect or failure to comply with the Products Warranty, Seller shall, at Buyer's option, either (1) replace, (2) repair, or (3) refund the purchase price for any Products that do not conform to the Products Warranty. Products repaired, replaced, or modified shall be subject to all provisions of the Contract to the same extent as items initially delivered, with any applicable Warranty Period beginning upon the completion of such repair, replacement, or modification, which completion date shall be the date certified in writing by Buyer which is at least six weeks after the repaired, replaced, or modified items have functioned properly without further defect. With respect to the Products Warranty relating to Software, if Buyer, within the Warranty Period, notifies Seller of any software defect, nonconformance, or breach of the foregoing warranty, Seller shall, at Buyer's option, repair, reflash, or replace the defective Software at its sole expense. The Warranty Period will extend by a period equal to any periods during which the Software fails to conform to the foregoing warranty. Any provision to the contrary in the Contract notwithstanding, if Seller fails to timely deliver the Products, including the failure to promptly replace, repair, or modify a nonconforming Good, then Buyer shall have the right, in addition to the right of termination, to purchase replacement

goods from a party other than Seller and charge Seller for any price differential for these cover purchases from the purchase price, as well as recover any and all damages to which Buyer is entitled under law and equity, including breach of contract damages as well as any and all attorneys' fees and costs incurred as a result of Seller's breach of its obligations.

7.2 Services Warranty. Seller represents and warrants to Buyer that (a) all Services will be performed in a prompt, professional, and workmanlike manner in accordance with the requirements and specifications (including timeframes) set forth in the Contract, including any statement of work, and otherwise in accordance with industry standards and will conform in all material aspects with all applicable laws and regulations in force at the time the Services are performed; and (b) Seller has the expertise and resources necessary to undertake and complete the Services in accordance with the requirements and specifications (including timeframes) set forth in the Contract, including any statement of work (collectively, "**Services Warranty**"). Promptly upon notice from Buyer of, or promptly upon Seller otherwise learning of, any defect or failure to comply with the Services Warranty, Seller shall, at Buyer's option, either (i) re-perform any Services; or (ii) refund the service fees for any Services that do not conform to the Services Warranty. Services re-performed shall be subject to all provisions of the Contract to the same extent as Services initially performed, with any applicable Warranty Period beginning upon the completion of such re-performance, which shall be the date certified in writing by Buyer which is at least six weeks after the re-performed or corrected Services have continued without further defect. Any provision to the contrary in the Contract notwithstanding, if Seller fails to timely re-perform a nonconforming Service, then Buyer shall have the right, in addition to the right of termination, to purchase replacement services from a party other than Seller and charge Seller for any price differential for these cover purchases from the purchase price, as well as recover any and all damages to which Buyer is entitled under law and equity, including breach of contract damages as well as any and all attorneys' fees and costs incurred as a result of Seller's breach of its obligation.

7.3 Warranty Period. Except as otherwise stated in the Contract, the warranty period is the longer of (a) three years from acceptance by Buyer; (b) the warranty period specified by Seller and Seller's documentation relating to the Products, as the case

may be; (c) the warranty period extended by LMC to purchasers of Vehicles; and (d) the warranty period provided by applicable law ("**Warranty Period**").

7.4 Recalls. Except as otherwise stated in the Contract, Seller will be liable for costs and damages resulting from any voluntary or government-mandated recall (a "**Recall**") if the Recall results in whole or in part from a failure of the Products to conform to the Products Warranty or Services Warranty, whether the Recall occurs during or after the otherwise applicable Warranty Period. If Seller is liable for a Recall, the extent of Seller's liability will be negotiated on a case-by-case basis based on (a) a good faith allocation of responsibility for the Recall; (b) the reasonableness of the costs and damages incurred; (c) the quantity purchased and Contract price of the affected Products; and (d) other relevant factors. Buyer will exercise commercially reasonable efforts to (i) notify Seller as soon as practicable after Buyer learns that a Recall being considered implicates the Products; (ii) provide Seller with available performance evaluations, accident reports, engineering investigations, and other data relating to the potential Recall, subject to Seller executing a non-disclosure agreement reasonably acceptable to Buyer; (iii) provide Seller a reasonable opportunity to participate in inquiries and discussions among Buyer, its customers, and governmental agencies regarding the need for and scope of the Recall; and (iv) consult with Seller about the most cost-effective method of modifying or replacing vehicle systems or component parts, including the Products, in order to remedy the alleged defect or non-compliance.

8. Compliance with Laws.

8.1 Generally. Seller will comply with applicable laws, rules and regulations of the country where the Products are manufactured or otherwise performed. Seller will provide Buyer with material safety data sheets regarding the Products and, upon Buyer's request, will provide Buyer with other information reasonably required in order to comply with applicable laws.

8.2 Trade Compliance. Seller shall comply with all applicable Trade Laws, rules and regulations in connection with its supply of Products to Buyer under the Contract. The Trade Laws include U.S. sanctions laws, executive orders and regulations administered by the U.S. Departments of the Treasury and State; any requirements arising under laws and regulations administered by the U.S. Homeland Department's Customs and Border Protection; the U.S. Foreign

Corrupt Practices Act; the U.S. anti-boycott laws administered by the U.S. Departments of Commerce and Treasury; and other applicable U.S. and non-U.S. international trade laws (collectively, the “**Trade Laws**”). The parties shall cooperate with each other to ensure compliance with the Trade Laws. Seller represents and warrants that it and any person acting on its behalf is not owned or controlled by any person subject to an export-related or sanctions-related list of restricted parties maintained by the United States or other applicable government; the export-related or sanctions-related lists of restricted parties include but are not limited to the U.S. Department of the Treasury’s List of Specially Designated Nationals and Blocked Persons List, and the U.S. Department of Commerce’s List of Denied Persons or Entity List, and the EU Consolidated List.

9. Intellectual Property Rights.

9.1 Buyer’s Intellectual Property. Buyer does not transfer to Seller any patent, trade secret, trademark, service mark, copyright, mask work, or other intellectual property right (“**Intellectual Property Right**”) of Buyer in information, documents, or property that Buyer makes available to Seller under the Contract, other than the right to use Buyer’s Intellectual Property Rights solely for the purpose of producing and supplying Products to Buyer pursuant to the Contract.

9.2 Seller’s Intellectual Property. Except as stated in this **Section 9.2**, Seller does not transfer to Buyer any Intellectual Property Right of Seller related to the Products or incorporated in Buyer’s Property, other than the right to incorporate Products purchased from Seller in vehicles and component parts and to sell those vehicles and component parts to the public. If the Contract is terminated by Buyer pursuant to **Section 11.3** or **11.4**, Seller grants to Buyer a non-exclusive right and license to use Seller’s Intellectual Property Rights during the Contract term that would have applied had it not been earlier terminated under **Section 11.3** or **11.4**, and subject to **Section 13**, to obtain from alternate sources goods and services similar to the Products for use in vehicles or component parts covered by the terminated Contract. There will be no fee for this license. Notwithstanding anything to the contrary in this **Section 9.2**, Seller agrees that the detailed designs, drawings, and specifications for the Products (“**Specifications**”) so as to meet Buyer’s requirements are Buyer’s Intellectual Property and Confidential Information of Buyer, and any information or data regarding the incorporation of the Products in vehicles and component parts

(including customizations requested by Buyer) and any information or data regarding performance within vehicles or during testing are the property and Confidential Information of Buyer.

9.3 Software. When Products include computer programs, including, where applicable, object code (including microcode) and source code, and any enhancements, modifications, updates, or releases relating thereto (“**Software**”), Seller shall obtain and provide to Buyer unrestricted usage rights, which shall be freely transferable, and shall provide Buyer with all documentation related to the Software, including a Software bill of materials, user manuals, training materials, product descriptions and applicable specifications, technical manuals and supporting materials, developed documents, and other printed or electronic information. No Software will contain copyleft materials or materials subject to any license that requires as a condition of use, modification, or distribution thereof, that such materials, or materials combined or distributed with such materials, be (a) disclosed or distributed in source code or similar form; (b) licensed for the purpose of making derivative works; or (c) redistributable at no charge.

9.4 Infringement. Seller will indemnify, defend, and hold harmless Buyer Indemnitees from and against any and all Losses arising out of the actual or alleged infringement by the Products of a third-party Intellectual Property Right. If a claim under this **Section 9.4** results, or is likely to result, in an injunction or other order that would prevent Seller from supplying or Buyer from using Products for their intended purpose, Seller will at its expense either (a) secure a license of the Intellectual Property Right that permits Seller to continue supplying the Products to Buyer; (b) if requested by Buyer and solely in conformity with the Specifications, modify the Products so that they become non-infringing, so long as the modification does not materially alter the operation or performance of the Products; or (c) replace the Products with non-infringing but practically equivalent Products.

10. Property.

10.1 Buyer’s Property.

(a) Buyer will own the tooling, jigs, dies, gauges, fixtures, molds, patterns, supplies, materials, and other equipment and property used by Seller to manufacture, store, transport, and provide Products (“**Property**”) if (i) the Property is so designated in the Contract; or (ii) Buyer or its customer has provided or paid for the Property (“**Buyer’s Property**”). Seller will assign to

Buyer contract rights or claims in which Seller has an interest with respect to Buyer's Property and execute bills of sale, financing statements, or other documents reasonably requested by Buyer to evidence its or its customer's ownership of Buyer's Property. Seller will indemnify, defend, and hold harmless Buyer against claims or liens adverse to Buyer's or its customer's ownership of Buyer's Property except those that result from the acts or omissions of Buyer or its customer. Seller will hold Buyer's Property on a bailment basis and will be responsible for loss or damage to Buyer's Property while in its possession or control. To the extent permitted by law, Seller waives any lien or similar right it may have with respect to Buyer's Property. Buyer will be responsible for personal property taxes assessed against Buyer's Property.

(b) Seller will (i) at its expense maintain Buyer's Property in good condition and repair, normal wear and tear excepted, throughout the useful life of Buyer's Property; (ii) use Buyer's Property only for the manufacture, storage, and transport of Products for Buyer unless Buyer otherwise approves in writing; (iii) at Buyer's request, mark Buyer's Property as belonging to Buyer or its customer; and (iv) not remove Buyer's Property (other than shipping containers and the like) from Seller's premises without Buyer's written approval. All replacement parts, additions, improvements, and accessories to Buyer's Property will become part of Buyer's Property unless they can be removed without damaging Buyer's Property.

(c) If Buyer issues a Purchase Order for Buyer's Property, Buyer will pay for that Buyer's Property at the lesser of (i) the amount specified in the Contract; (ii) Seller's actual out-of-pocket cost of the Buyer's Property, if manufactured by a third party; or (iii) Seller's actual cost of purchased materials, components, and services plus Seller's actual cost of labor and overhead allocable to the Buyer's Property, if manufactured by Seller. Unless otherwise stated in the Contract, final payment for Buyer's Property is due (1) on the vehicle manufacturer's Production Part Approval Process ("**PPAP**") approval date; or (2) within 90 days after the Property is tendered for PPAP approval if no action has then been taken on the request for PPAP approval.

(d) Seller will immediately release to Buyer upon request, and Buyer may retake immediate possession of, Buyer's Property and other property of Buyer or its customers at any time, with or without cause and without payment of any kind. Seller's relinquishment of possession shall not prejudice any claim or right to

payment of any amounts owned for Buyer's Property under the Contract. Seller will release the requested Property and other property to Buyer F.C.A. Seller's plant (Incoterms 2020), properly packed and marked in accordance with the requirements of Buyer's carrier. If the release or recovery of Buyer's Property or other property renders Seller unable to produce a Product, the release or recovery will be deemed a termination of the Contract with respect to that Product pursuant to **Section 11**, as applicable.

(e) Seller shall have only temporary possession of Buyer's Property as a bailee-at-will. Seller may not release, relocate, or dispose of Buyer's Property to any third party without the express written permission of Buyer. Seller shall promptly notify Buyer of the location of the Buyer's Property if located at any place other than Seller's facility. Only Buyer has any right, title, or interest in Buyer's Property, except for Seller's limited right, subject to Buyer's sole discretion, to use Buyer's Property in the manufacture of Products. Seller agrees neither to create nor allow to exist any liens on Buyer's Property and Seller agrees to immediately sign any UCC-1 forms or other documents reasonably required by Buyer to perfect all rights granted herein. Seller grants to Buyer a limited and irrevocable power of attorney, coupled with an interest, to execute and record on Seller's behalf any notice financing statements with respect to Buyer's Property that Buyer determines are reasonably necessary to reflect Buyer's interest in Buyer's Property.

(f) Seller expressly waives any right to additional notice or process relating to Buyer's exercise of its rights under this Section. Seller waives, to the extent permitted by law: (i) any lien or other rights that Seller might otherwise have on any of Buyer's Property, including molder's and builder's liens; and (ii) any objection to the Buyer's repossession and removal of Buyer's Property for any or no reason, including bankruptcy or insolvency proceedings. Seller shall ensure that its suppliers, contractors, or agents are contractually obligated to comply with all of Seller's obligations with respect to Buyer's Property.

10.2 Seller's Property. Seller will own all Property that is not Buyer's Property ("**Seller's Property**"). Seller will at its expense furnish, maintain in good condition, and replace when necessary Seller's Property needed to perform the Contract. While a Contract for Products remains in effect, Buyer may purchase Seller's Property used exclusively to produce those Products and not needed by Seller to produce

Products or products for other customers, for a purchase price equal to the greater of fair market value or Seller's unamortized acquisition cost.

11. Term and Termination.

11.1 Term of a Contract. Except as otherwise expressly stated in the Contract, the term of the Contract will begin on the date it is issued (the "**Effective Date**") and, unless a different date is specified in writing, continue for the duration of the Vehicle program, as it may be shortened or extended by Buyer in its sole discretion (the "**Termination Date**"), unless earlier terminated in accordance with these Terms.

11.2 Termination Without Cause. Buyer may terminate a Contract at any time after the Effective Date without cause upon 30 days' prior notice to Seller. Upon receipt of notice of termination, and unless otherwise directed by Buyer, Seller will comply with the requirements of **Section 11.6**. Upon termination by Buyer under this Section, Buyer will be obligated to pay only the following without duplication: (a) the Contract price for all finished Products in the quantities ordered by Buyer that conform to the Contract and are delivered to and accepted by Buyer for which Seller has not been paid; and (b) Seller's reasonable actual cost of carrying out its obligation under **Section 11.6(d)**. Buyer shall pay for Seller's reasonable actual cost of merchantable and usable work-in-process, as well as any parts and materials, which Buyer requests be transferred to it under **Section 11.6(b)**. Buyer's obligation for any Seller claims related to termination will not exceed the obligation Buyer would have had to Seller in the absence of termination. Seller will furnish to Buyer, within one month after the date of termination, its termination claim, which will consist exclusively of the claims eligible for reimbursement by Buyer to Seller that are expressly permitted by this Section. Buyer may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim.

11.3 Termination for Cause. Buyer may terminate the Contract if Seller breaches any of its material duties or material obligations under the Contract or these Terms by delivering to Seller a default notice (the "**Default Notice**"). The Default Notice shall specify (a) the default(s) in reasonable detail; (b) the action necessary to cure the default(s); and (c) the cure period within which Seller must cure the default(s), which cure period shall not be less than ten (10) days (the "**Cure Period**"). If Seller cures the default(s)

within the applicable Cure Period to the reasonable satisfaction of Buyer, Buyer will rescind the Default Notice. If Seller does not cure the default(s) during the applicable Cure Period, at the option of Buyer, the Contract will terminate as of the close of business on the last day of the applicable Cure Period or on such later date as determined by Buyer. Upon notice of termination by Buyer, Seller shall promptly return all amounts previously paid to Seller by Buyer for the Products (if any) and, in addition to any other damages, Buyer shall be entitled to, and Seller shall pay to Buyer, damages equal to (i) all costs incurred by Buyer in connection with the manufacturing of the Products for the Contract, including training, systems programming, site preparation, cost of supplies and facilities, excepting only such costs as are included in the price of substitute goods obtained from any other manufacturer; and (ii) the difference in price between the Products to be delivered hereunder and substitute goods.

11.4 Termination for Insolvency. Buyer may terminate the Contract if Seller (a) provides Buyer grounds for insecurity; (b) files for bankruptcy; (c) becomes or is declared insolvent or is the subject of any proceedings related to its liquidation, insolvency or the appointment of a receiver or similar officer for it; (d) makes an assignment for the benefit of all or substantially all of its creditors; (e) is unable to pay its debts generally as they come due; or (f) enters into an agreement for the composition, extension or readjustment of substantially all of its obligations, by giving notice to Seller of its intention to terminate the Contract as of a date specified in the notice, which date will not be less than ten days after the date of the notice, during which time Seller may cure such default by causing any such proceeding to be terminated or dismissed, or by providing Buyer with verification of solvency or otherwise of its ability to perform its obligations hereunder. If Seller fails to cause such proceeding to be terminated or dismissed or otherwise to provide Buyer with the information set forth above, the Contract will terminate on the date set forth in the notice.

11.5 Termination by Seller. Seller may terminate the Contract only for non-payment of the purchase price for Products which are 30 or more days past due and material in amount, and then only if: (a) Seller first provides Buyer notice specifying the amounts past due and Seller's intent to terminate the Purchase Order if the past due amount is not paid; and (b) Buyer, within 60 days of such notice, does not either (i) pay the past due amounts, or (ii) notify Seller that it

disputes Seller's entitlement to payment. Seller may not suspend performance of the Purchase Order for any reason.

11.6 Termination Obligations. Upon receipt of notice of termination, and unless otherwise directed by Buyer, Seller will at no additional cost to Buyer: (a) promptly terminate all work under the Contract on the effective date of termination; (b) transfer title and deliver to Buyer the finished Products, the work in process, and the parts and materials that Seller reasonably produced or acquired according to quantities ordered by Buyer and that Seller cannot use in producing goods for itself or for others, together with all information and materials related to or otherwise used in connection with the Contract, including packaging, documents, standards, databases, specifications, drawings, manufacturing processes, or any other items of value (collectively, "**Transferred Property**"); (c) prior to allocating any amounts received by Buyer to any other source, Seller shall upon termination for any reason, first verify and settle any claims by subcontractors for actual costs incurred directly as a result of the termination; (d) take actions reasonably necessary to protect property in Seller's possession in which Buyer has an interest, including Buyer's Property, until disposal instruction from Buyer has been received; and (e) cooperate with Buyer and its designees and provide the Services reasonably requested by Buyer or its designees to allow Buyer's business operations to continue without material interruption or adverse effect, including with respect to Buyer's new supplier. Effective immediately upon termination and without further notice or legal action, Buyer may enter Seller's premises and take possession of all of the Transferred Property. Buyer may direct that the Transferred Property be released immediately to Buyer or delivered by Seller to Buyer in accordance with these Terms. Buyer shall have no liability with respect to any of the Transferred Property until such property is in the actual possession of Buyer.

11.7 Transition Assistance. In addition to the termination obligations set forth in **Section 11.6**, upon expiration or termination of the Contract for any reason, Seller shall, at Buyer's request and at no additional cost to Buyer, provide transition assistance services as reasonably requested by Buyer for a period of up to 90 days after the Termination Date (the "**Transition Assistance Period**").

12. Indemnification; Remedies.

12.1 Indemnification. All indemnification provisions in the Contract are supplemental to and part

of the indemnification provisions in this **Section 12**. To the fullest extent permitted by law, Seller will indemnify, defend, and hold harmless Buyer and its affiliates and each of their respective directors, officers, employees, agents, contractors, consultants, representatives, successors, and assigns (each, an "**Buyer Indemnitee**") from and against any and all third-party claims, demands, suites, or proceedings for damages (whether direct, indirect, incidental, or consequential), losses, claims, suits, actions, demands, liabilities, settlements, judgements, fines, penalties, taxes, interest, and expenses (including reasonable attorneys' and other professional fees and legal costs), regardless of whether arising under tort, contract, strict liability, or other legal theories (collectively, "**Losses**") based upon, relating to, arising from, or which are alleged to have been caused in connection with any of the following: (a) Seller's defective design (if Seller has warranted design) or manufacture or provision of Products, delivery of non-conforming Products, or its negligent acts or omissions in its performance under the Contract; (b) any misrepresentation by Seller or the breach by Seller of its obligations or warranties to Buyer under these Terms or any Contract; (c) the death or bodily or personal injury of, or other damage incurred by, any agent, employee, customer, business invitee, business visitor, or other person caused by the breach of contract, breach of warranty, negligence, misconduct, or any other acts or omissions of Seller or its representatives or permitted subcontractors; (d) the damage, loss, or destruction of any real or personal property caused by the breach of contract, breach of warranty, negligence, misconduct, or any other acts or omissions of Seller or its representatives or permitted subcontractors; or (e) liens, encumbrances, payment, or other claims relating in any manner to the Products which are asserted by Seller, any subcontractor, or anyone directly or indirectly engaged by any of them or for anyone for whose acts they may be responsible. For purposes of this **Section 12.1**, Recalls shall be considered third-party claims. Seller shall not be liable for Losses pursuant to clause (a) of this **Section 12.1** to the extent such Losses results from (i) Buyer's specification of materials in the Products; (ii) Buyer's design of the Products; or (iii) any alteration or improper repair, maintenance, handling, or installation of the Products by anyone other than Seller or its subcontractors, suppliers, or agents. Notwithstanding anything to the contrary in any Contract, no limitations on damages or remedies will apply to Seller's obligations to indemnify, defend, and hold the Buyer Indemnitees harmless against Losses.

Indemnity obligations shall survive the termination, cancellation, or non-renewal of the Contract. The indemnification obligations set forth in these Terms, including this **Section 12.1**, are independent of and in addition to any insurance and warranty obligations of Seller.

12.2 Procedure. Buyer Indemnitee will notify Seller promptly after Buyer Indemnitee becomes aware of the basis for a claim under this **Section 12**; provided, however, that Buyer Indemnitees' failure to provide notice of a claim does not relieve Seller of any liability that Seller may have to Buyer Indemnitee, except to the extent that such delay materially prejudices the defense of the related third-party claim. Upon reasonable notice and at the reasonable request of Seller, Buyer may provide Products and related systems and components that are subject to a third-party claim to Seller for its inspection, at Seller's expense.

12.3 Defense. Following delivery of the notice of a claim under this **Section 12**, Seller must defend such claim at its sole expense with counsel of its choosing (and reasonably acceptable to Buyer) and must include Buyer Indemnitee in discussions and decisions relating to the defense. Buyer Indemnitee may participate in the defense of such claim defended by Seller with counsel of Buyer Indemnitee's choice and the fees and expenses of Buyer Indemnitee's counsel will be paid or reimbursed by Seller. Notwithstanding the foregoing, Buyer Indemnitee may, upon notice to Seller, assume the exclusive right to defend, compromise, settle, or resolve any claim under this **Section 12**, at Seller's sole expense, if (a) Buyer Indemnitee determines that (i) defense of the claim by counsel selected by Seller would be inappropriate for reasons of existing or potential conflict of interest or because Buyer Indemnitee has defenses available to it that are distinct from or in conflict with defenses available to Seller, or (ii) there is a reasonable possibility that the claim may adversely impact Buyer Indemnitee, including damage to reputation, brand, or business prospects; or (b) the claim is asserted by or on behalf of a person or entity that is a direct or indirect supplier or customer of Buyer Indemnitee or such person or entity seeks an injunction or other equitable relief.

12.4 Remedies. All rights and remedies set forth in these Terms are in addition to rights and remedies available to Buyer at law or in equity. Each of the rights and remedies reserved to Buyer in these Terms shall be cumulative and the assertion of Buyer of any right or remedy shall not preclude the assertion by

Buyer of any other rights or the seeking of any other remedies. All costs incurred in connection with any remedy, including all travel expenses and daily allowances as well as any and all attorneys' fees and costs and legal costs incurred by Buyer as a result of Seller's breach of its obligations, shall be the obligation of Seller. Seller shall not have any right of setoff.

12.5 Specific Performance. The parties agree that the motor vehicle industry operates on just in time principles such that any breach by Seller which disrupts or threatens to disrupt the timely supply to Buyer, Buyer does not have an adequate remedy at law and Buyer is entitled to an immediate order for specific performance of Seller's obligations (including related temporary and preliminary injunctive relief).

13. Confidential Information.

If Seller has executed or executes a non-disclosure agreement, in a form satisfactory to Buyer, which relates to confidential information to be disclosed by or on behalf of Buyer to Seller, the terms of such non-disclosure agreement shall apply to these Terms and shall be incorporated herein by reference with respect to the information covered thereby. Notwithstanding the absence of such non-disclosure agreement, of for all information not covered by such non-disclosure agreement, the terms of this **Section 13** shall apply to all Confidential Information. Trade secrets, specifications, drawings, notes, instructions, engineering data and analyses, compositions of matter, financial data, and other technical and business data which are supplied or disclosed by Buyer or Seller in connection with the Contract, in each case that are marked or otherwise identified as confidential or where their confidential nature is, or by its nature should have been, apparent at the time of disclosure ("**Confidential Information**"), will be deemed confidential and proprietary to, and remain the sole property of, the disclosing party. The receiving party may not disclose Confidential Information or use Confidential Information for any purpose other than as contemplated under the Contract without in each case the written consent of the disclosing party. Confidential Information will not include information that (a) is or becomes generally available to the public other than as a result of a violation of this **Section 13** by the receiving party; (b) was obtained by the receiving party on a non-confidential basis from a third party who had the apparent right to disclose it; or (c) is legally required to be disclosed. In the event the receiving party is legally required to disclose the disclosing party's Confidential Information, the

receiving party shall promptly provide notice to the disclosing party (to the extent legally permissible) and cooperate with the disclosing party to limit or shield the extent of the disclosure. Buyer and Seller will each use the same degree of care to safeguard Confidential Information that it uses to protect its own confidential information from unauthorized access or disclosure (but not less than a reasonable degree of care). Upon request by the disclosing party, the receiving party will promptly return or destroy the original and all copies of Confidential Information received. Notwithstanding the foregoing, the receiving party shall be permitted to retain such copies of or any computer records or files containing such Confidential Information that have been created solely by the party's automatic archiving and back up procedures, to the extent created and retained in a manner consistent with the party's standard archiving and back up procedures, but not for any other use or purpose.

14. Assignment and Subcontracting.

Seller may not assign or subcontract its duties or responsibilities under the Contract without the prior written consent of LMC. A change of control of Seller, whether by merger, operation or law, or the sale of all or substantially all of Seller's assets, shall be deemed an assignment by Seller. Notwithstanding anything to the contrary in the Contract, Seller may assign or delegate its duties or responsibilities under the Contract to an affiliate or to a successor-in-interest to the business or division to which the Contract applies, including in connection with a direct or indirect merger, sale of equity, sale of assets, or otherwise. Unless otherwise stated in a consent to assignment or subcontracting given to Seller by Buyer, any assignment or subcontracting by Seller, with or without the required consent, shall be void and will not relieve Seller of its duties or obligations under the Contract or its responsibility for non-performance or default by its assignee or subcontractor.

15. Excusable Non-Performance.

15.1 Generally. Except as otherwise set forth in **Section 15.2**, any delay or failure of either party to perform its obligations will be excused if and to the extent the party is unable to perform due to an unforeseen event or occurrence beyond its reasonable control and without its fault or negligence, or which could not have been prevented or mitigated through commercially reasonable efforts or precautions, such as: acts of God; restrictions, prohibitions, priorities or allocations imposed or actions taken by a governmental authority (whether valid or invalid);

embargoes; fires; floods; earthquakes; explosions; natural disasters; riots; wars; sabotage; or court injunction or order. Seller shall use its best efforts to reduce the effects of such events on Seller's performance of its obligations and timely provide Products to Buyer. As soon as possible (but no more than one full business day) after the occurrence, the affected party will provide notice describing such delay, including any corrective measures which the affected party will implement to cure such delay, and assuring the other party of the anticipated duration of the delay and the time that the delay will be cured. During a delay or failure to perform by Seller, Buyer may at its option: (a) purchase Products from other sources and reduce its schedules to Seller by such quantities, without liability to Seller; (b) require Seller to deliver to Buyer in accordance with the terms of the Contract all finished goods, work in process and parts and materials produced or acquired for work under the Contract; and/or (c) have Seller provide Products from other sources in quantities and at a time requested by Buyer and at the price set forth in the Contract. In addition, Seller at its expense will take all necessary actions to ensure the supply of Products to Buyer for a period of at least 30 days during any anticipated labor disruption or resulting from the expiration of Seller's labor contracts. If delay on the part of Seller lasts longer than 30 days, Buyer may terminate, suspend, or modify any outstanding Purchase Order without liability and Seller shall reimburse Buyer for costs associated with the termination.

15.2 Specific Exclusions. Notwithstanding anything in **Section 15** to the contrary, no delay or failure of Seller to perform its obligations under the Contract will be excused (under theories of force majeure, commercial impracticability or otherwise) if and to the extent that it is caused by: (a) Seller's inability to perform as a result of, or delays caused by, Seller's insolvency or lack of financial resources, which shall be deemed to be within Seller's control; (b) the change in cost or availability of materials or components based on market conditions, supplier actions, or contract disputes; (c) any labor strike or other labor disruption applicable to Seller or any of its subcontractors or suppliers; or (d) the inability of Seller or any of its subcontractors or suppliers to obtain power, materials(s), components, parts, labor, equipment, or transportation, and in each case Seller assumes these risks.

16. Labor Contracts.

Seller will notify Buyer of the contract expiration date at least six months before the expiration of a current

labor contract that has not been extended or replaced. Buyer may thereafter direct Seller in writing to manufacture up to 30 days of additional inventory of Products, specifying the quantities of Products required and any packaging and storage requirements. Seller will use reasonable best efforts to comply with Buyer's written directions prior to expiration of the current labor contract and until the current labor contract has been extended or a new contract completed. By authorizing the additional inventory, Buyer commits to buy the entire quantity of conforming Products requested and produced. Seller is responsible for carrying costs and any additional costs of manufacture.

17. Customs.

Transferable credits or benefits associated with Products purchased, including trade credits, export credits, or rights to the refund of duties, taxes, or fees, belong to Buyer unless otherwise prohibited by applicable law. Seller will provide Buyer with all information and records relating to the Products necessary for Buyer to (a) receive these benefits, credits, and rights; (b) fulfill any customs obligations, origin marking, or labeling requirements and certification or local content reporting requirements; (c) claim preferential duty treatment under applicable trade preference regimes; and (d) participate in any duty deferral or free trade zone programs of the country of import. Seller will obtain all export licenses and authorizations and pay all export taxes, duties, and fees unless otherwise stated in the Contract, in which case Seller will provide all information and records necessary to enable Buyer to obtain those export licenses or authorizations.

18. Insurance.

18.1 Coverage Requirements. Seller will maintain in force, and cause its permitted subcontractors to maintain in force, at its own expense, insurance of the type and in the amounts set forth below:

(a) Property All Risk insurance to cover Products in transit, in warehouse or in storage whether on vehicles or in facilities controlled or operated by Seller or its permitted subcontractor or any other third party: Minimum limit of \$5,000,000 or the replacement cost value of the Products, whichever is greater, to cover full replacement cost of Products including additional storage, clean-up costs, salvage, security, expediting, or additional transportation fees. Buyer will be added as loss payee and additional insured with respect to its interest in the Products.

(b) Statutory workers' compensation insurance in accordance with the legal requirements of each country, state, territory, or locality exercising jurisdiction over the employees of Seller and/or any permitted subcontractor performing Services in such country, state, territory, or locality.

(c) Employer's liability insurance with a minimum limit in an amount not less than \$1,000,000 per accident, covering bodily injury by accident, and \$1,000,000 per policy covering bodily injury by disease, including death.

(d) ISO Commercial General Liability insurance (written on an occurrence basis) in an amount not less than \$5,000,000 per occurrence, general aggregate, products and completed operations aggregate. Buyer and its employees shall be named as additional insureds.

(e) ISO Business Automobile Liability insurance for owned, hired or non-owned vehicles with a combined single limit in an amount not less than \$5,000,000 per accident for bodily injury and property damage liability. Buyer and its employees shall be named as additional insureds.

(f) Professional Liability or Errors and Omissions liability insurance to cover losses due to Seller's errors or omissions in the performance or failure to perform its professional Services obligations or responsibilities under any Contract, with a per-claim limit in an amount not less than the greater of \$2,000,000 and the value of the applicable Purchase Order and the greater of \$2,000,000 or the value of the applicable Purchase Order in the annual aggregate. Such insurance may be written on an occurrence or claims-made basis. If written on a claims-made basis, any applicable retroactive date must be prior to the commencement of any commercial activity arising under the Contract.

(g) Umbrella/excess liability (written on an occurrence basis) in an amount not less than the greater of \$10,000,000 or the value of the applicable Purchase Order, as applicable, per occurrence. Buyer and its employees shall be named as additional insureds.

(h) Insurance coverage with respect to information and data protection security, cyber liability and similar matters with respect to information security in amounts not less than \$5,000,000. Such insurance may be written on an occurrence or claims-made basis. If written on a claims-made basis, any applicable retroactive date

must be prior to the commencement of any commercial activity arising under the Contract.

In the event that any of Seller's underlying insurance policies fail to meet the required minimum limit amounts for any of the coverages required herein, such minimum limits shall be considered satisfied if the underlying insurance amount combined with any applicable umbrella/excess insurance amount meets or exceeds that coverage's required minimum limit amount.

18.2 Policy Requirements. All insurance policies required in **Section 18.1** will be written by insurance companies rated at least A-VII by A.M. Best's rating service or equivalent. The required insurance shall be primary and non-contributory with respect to any other coverage carried by or available to Buyer for claims arising out of or in connection with the Contract. The required insurance policies shall provide to Buyer 30 days' notice of any cancellation, non-renewal, or material change. Seller, for itself and its permitted subcontractors, including their respective insurance carriers, hereby agrees to waive any right of subrogation and have no right of recovery from Buyer, its employees and personnel or its insurers. The insurance required herein shall not affect or limit the liability of Seller as stated elsewhere in the Contract or as provided by law. Seller will furnish to Buyer certificates of insurance and other appropriate documentation (including endorsements as required to bind the insurers) evidencing all coverage referenced in this **Section 18**.

19. Cybersecurity.

19.1 Enterprise Cybersecurity. Seller must: (a) maintain reasonable, risk-based cybersecurity programs, supported by appropriate technical and operational measures, including policies and procedures, to protect the confidentiality, integrity, and availability of Confidential Information, prevent disruption of the supply of goods, and respond in a timely and effective manner to any cybersecurity incident that may compromise any Confidential Information or disrupt supply of goods; (b) notify Buyer of any cybersecurity incident that affects the confidentiality, integrity, or availability of Confidential Information, disrupts or threatens to disrupt supply, or otherwise reasonably could be expected to adversely affect Buyer; (c) assist Buyer and provide requested information in the event of such a cybersecurity incident; (d) adopt other reasonable cybersecurity measures identified by Buyer; and (e) upon request, at Seller's expense, demonstrate

compliance through a third-party audit or other reasonable measure agreed upon by the Buyer.

19.2 Product Cybersecurity. Seller must maintain a reasonable, risk-based program, supported by appropriate technical and operational measures, including policies and procedures, to ensure the cybersecurity of any Product that includes software, hardware, or other electrical components. Seller's product cybersecurity program must provide for security by design, vulnerability management, governance, and any other elements identified by Buyer in a manner consistent with industry best practices, including ISO/SAE 21434. Upon request, at Seller's expense, Seller demonstrate compliance through a third-party audit or other reasonable measure agreed upon by the Buyer.

20. Dispute Resolution.

20.1 Negotiation and Mediation. Buyer and Seller will first endeavor to resolve through good faith negotiations any dispute arising under the Contract. If a dispute cannot be resolved through good faith negotiations within a reasonable time (but in no event more than 14 days), either party may request non-binding mediation by a mediator approved by both parties or, absent that approval, by the American Arbitration Association. The parties may agree in writing to forgo mediation and proceed directly to arbitration under **Section 20.2**.

20.2 Arbitration. If mediation fails to resolve the dispute within 45 days after the first mediation session, either party may submit the dispute to binding arbitration by notice to the other party. The arbitration proceedings will be conducted, and a single arbitrator will be selected, in accordance with the rules of the American Arbitration Association or other rules approved by the parties, and will be governed by the United States Arbitration Act, 9 U.S.C. §1 et seq., and this **Section 20.2**. The arbitration will be conducted in Detroit, Michigan. The arbitrator may include an award of legal fees and costs. The arbitrator's award will be final and non-appealable absent fraud or manifest error, and judgment on the arbitrator's award may be entered in any court having jurisdiction. While arbitration proceedings are pending, the parties will continue to perform their obligations under the Contract.

20.3 Provisional Remedies; Legal Action. Notwithstanding the provisions of this **Section 20**, a party may file a complaint limited to seeking provisional judicial relief pending the outcome of the mediation or arbitration provided by this **Section 20**.

If any legal action or proceeding becomes necessary to seek provisional equitable relief, to enforce the provisions of this **Section 20**, or to enforce the award of the arbitration, such legal action or proceeding must be brought exclusively in the state or federal courts situated in the Wayne County, Michigan, and the parties expressly consent, and waive any objections, to subject matter jurisdiction, personal jurisdiction, and venue in such courts.

21. Miscellaneous.

21.1 Order of Precedence. Notwithstanding anything to the contrary in these Terms or any Supplemental Document, if there is any conflict, inconsistency, or incompatibility between or among the terms and conditions of these Terms or any Supplemental Document, the order of precedence, from the document that takes the highest precedence to the document which takes the lowest precedence, is as follows: (a) the Purchase Order; (b) Supplemental Documents that are specific to Seller; (c) these Terms; then (d) Supplemental Documents that are generic to all LMC suppliers.

21.2 Advertising. During and after the term of the Contract, Seller will not advertise or otherwise disclose its relationship with Buyer or Buyer's customers without Buyer's prior written consent, except as may be required to perform the Contract or as required by law.

21.3 Electronic Communication. Seller will comply with the method of electronic communication specified by Buyer in Buyer's request for quotation and confirmed in any Contract, including requirements for electronic funds transfer, purchase order transmission, electronic signature, and other communications. Seller will also make commercially reasonable efforts to comply with any modification to Buyer's specified method of electronic communication after the date of the Contract, subject to **Section 2.5**.

21.4 Relationship of the Parties. Buyer and Seller are independent contractors, and nothing in any Contract makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or to create any obligation on behalf of the other party.

21.5 Limitations. Notwithstanding any other provision herein, Buyer will have no obligation for and will not be required to pay Seller, directly or on account of claims by subcontractors, for lost profits, lost fees, lost business, loss of use, costs associated

with business interruptions, unabsorbed overhead, interest on claims, product development or engineering costs, facilities or equipment rearrangement costs or rental, unamortized capital or depreciation costs, finished goods, work-in-process, or raw materials that Seller fabricates or procures in amounts exceeding those authorized in the Contract, or general administrative burden charges from termination of the Contract, except as otherwise expressly stated in a separate Supplemental Document issued by Buyer.

21.6 Waiver. The failure of either party to enforce any right or remedy provided in the Contract or by law on a particular occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.

21.7 Battle of the Forms Not Applicable. The parties intend that the Contract, and only the Contract, exclusively control the relationship of the parties with respect all Products. The parties agree it is their intent that the "battle of the forms" section of the Michigan Compiled Laws § 440.2207 does not and will not apply to the Contract or to any invoice or acceptance form of Seller relating to the Contract. Any terms and conditions, other than those stated in the Contract, contained or incorporated in any Seller estimate, order form, order confirmation, quote, proposal, acknowledgement, invoice, or other similar submission, response, or acceptance by Seller (even if Seller purports to condition its acceptance to Buyer's agreement to such different or additional terms, and regardless of when such documents or terms are or were submitted) are rejected, excluded, inapplicable under the Contract, and otherwise superseded, and instead the Contract alone applies. Seller acknowledges and accepts that its sale of Products is made subject to these Terms and to the terms of any applicable Supplemental Documents.

21.8 Entire Agreement. The Contract constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior oral or written representations, agreements, or understanding of the parties with respect to the subject matter of the Contract.

21.9 Severability. A finding that any provision of the Contract is invalid or unenforceable in any jurisdiction will not affect the validity or enforceability of any other provision of the Contract or the validity or enforceability of that provision in any other jurisdiction.

21.10 Survival. Sections 6, 2.7, 7, 9, 10, 11.6, 11.7, 12, 13, 18, 20, 21.2, 21.5, 21.11, 21.12, 21.13, and this **Section 21.10**, and any other provision of the Contract that by its nature extends beyond the expiration, termination, or cancellation of the Contract will remain in full force and effect until fulfilled or performed and will inure to the benefit of and be binding upon Seller and Buyer and their respective successors and permitted assigns.

21.11 Interpretation. When used in these Terms, “including” means “including without limitation” and terms defined in the singular include the plural and vice versa.

21.12 Notices. Any notice or other communication required or permitted in the Contract must be in writing and will become effective on the date of actual receipt if the date of actual receipt is a business day or on the next business day if the date of actual receipt is not a business day. Notices required under the Contract will be sent to the respective parties at the following addresses:

If to Buyer: Address designated by Buyer
on the Supplemental

Documents

With a
concurrent
copy to:

Lordstown EV Corporation
38555 Hills Tech Dr.
Farmington Hills, MI 48331
Attention: Vice President of
Purchasing

If to Seller:

Address maintained in
Buyer’s file concerning
notices to Seller

Either party may change its notice address by a notice given to the other in the manner provided for in this **Section 21.12**.

21.13 Governing Law. Unless otherwise agreed in writing, the Contract will be governed by and interpreted according to the internal laws of Michigan, without regard to its conflict of laws rules. The *United Nations Convention on Contracts for the International Sale of Goods* will not apply to the Contract.

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APPENDIX OF DEFINED TERMS

The following terms can be found in the Section identified below.

Buyer.....	Preamble	Property.....	10.1(a)
Buyer Indemnatee.....	12.1	Purchase Order.....	1.2
Buyer's Property	10.1(a)	Recall	7.4
Confidential Information	13	Release	2.2
Contract.....	1.2	Scheduling Forecasts	2.3
Cure Period	11.3	Seller	Preamble
Default Notice	11.3	Seller's Property.....	10.2
Delivery Requirements	2.2	Services	1.1
Designated Purchase Agreement	1.4	Services Warranty	7.2
Designated Purchaser.....	1.4	Software	9.3
Effective Date	11.1	Specifications.....	9.2
FXN.....	1.4	Supplemental Documents	1.2
Goods	1.1	Termination Date	11.1
Intellectual Property Right.....	9.1	Terms	Preamble
LMC.....	Preamble	Trade Laws.....	8.2
Losses.....	12.1	Transferred Property	11.6
PPAP	10.1(c)	Transition Assistance Period.....	11.7
Products.....	1.1	Vehicles.....	1.1
Products Warranty	7.1	Warranty Period.....	7.3

END OF DOCUMENT

EXHIBIT 2

Purchase Order 107177

No.	Description	Quantity	Unit of Measure	Direct Unit Cost	Disc. %	Allow Invoice Disc.	Tax Identifier	Amount
	Rotor Housing w Yoke 1 X C	1		155,000.00		No		155,000.00
	Rotor Housing Fixture	1		70,750.00		No		70,750.00
	Stator Housing RH 1 X Casti	1		188,000.00		No		188,000.00
	Stator Housing RH Machine	1		114,580.00		No		114,580.00
	Casting Ring Tool	1		45,000.00		No		45,000.00
	Stator Housing LH 1 X Casti	1		188,000.00		No		188,000.00
	Stator Housing LH Machine	1		114,580.00		No		114,580.00
	Stator Ring w/ Yoke Assembl	10		130.79		No		1,307.90
	Stator Housing RH	10		131.68		No		1,316.80
	Stator Housing LH	10		131.68		No		1,316.80
						Total USD		879,851.50

EXHIBIT 3

Purchase Order 108260


LORDSTOWN
MOTORS

Lordstown EV Corporation
2300 Hallock Young Rd
Warren, OH 44481
USA

Purchase Order

PO No.: 108260
Created Date: October 6, 2021
PO Status: Approved

SUPPLIER	DELIVERY ADDRESS
Barry L. Leonard and Company Inc. dba Trans Machine Technologies Supplier No.: V05110 920 Brenner Street Winston-Salem , NC 27101 USA Contact: Barry Leonard Phone No.: 336-971-9758 Email: Barry@trans-machine.com	Attn: Incoterms:

PO RELEASE DATE	DELIVERY DATE	PAYMENT TERMS
March 23, 2021		Net 30 days

ID #	ITEM CODE	DEPT.	PROJ.	DESCRIPTION	QTY.	UNIT COST	TOTAL
10000	72000	2130	PV	Rotor Housing w Yoke ACBB-074X-AA	10,000	139.54	1,395,400.00
20000	72000	2130	PV	Stator Housing LH ACBB-053X-AA	5,000	143.50	717,500.00
30000	72000	2130	PV	Stator Housing RH ACBB-054X-AA	5,000	143.50	717,500.00
						Subtotal	2,830,400.00
						Invoice Discount	0.00
						Tax	0.00
						<u>Total USD</u>	<u>2,830,400.00</u>

Buyer:
Contact:

Send Invoice To: AP@LordstownMotors.com and Buyer

3PL and Customs Broker: CEVA Logistics

Questions and Logistics Setup: LMCNA@CevaLogistics.com

Quality Assurance Procedures and Requirements will be held to standards outlined in the Supplier Quality Assurance Manual

All Invoices must be in PDF form and include the Purchase Order No. to be paid

NOTES

APPROVERS	
SS	April 22, 2021
KM	April 22, 2021
DP	April 23, 2021
RS	April 23, 2021

EXHIBIT 4

Purchase Order 110981


LORDSTOWN
MOTORS

Lordstown EV Corporation

2300 Hallock Young Rd
Warren, OH 44481
USA

Schedule Agreement Purchase Order

PO No.: 110981
PO Release Date: March 11, 2022
PO Status: Approved

SUPPLIER	DELIVERY ADDRESS
Barry L. Leonard and Company Inc. dba Trans Machine Technologies Supplier No.: V05110 920 Brenner Street Winston-Salem , NC 27101 USA Contact: Barry Leonard Phone No.: 336-971-9758 Email: Barry@trans-machine.com	Production Material - Primary Lordstown Facility Jessica Roca 2300 Hallock Young Rd SW Warren, OH 44481 USA Attn: Payment Terms: Net 30 days Incoterms: Incoterm FCA

FIXED DIRECT UNIT COST			PRICE BREAK			
LMC PART No.	PART DESCRIPTION	FIXED DIRECT UNIT COST	MINIMUM QUANTITY	PRICE BREAK DIRECT UNIT COST	START DATE	END DATE
ACBB-074-AB	RTR HSNG WTH YK	192.25				

Buyer: Ben Tomassi
Contact: ben.tomassi@lordstownmotors.com

Send Invoice To: AP@LordstownMotors.com
3PL and Customs Broker: CEVA Logistics
Questions and Logistics Setup: LMCNA@CevaLogistics.com
Quality Assurance Procedures and Requirements will be held to standards outlined in the Supplier Quality Assurance Manual

Approvers	
ss	May 31, 2022
KM	May 31, 2022

Unless otherwise agreed to in writing and signed by the Vice President of Purchasing of Lordstown EV Corporation ("LMC"), this Purchase Order is governed by the Lordstown EV Corporation General Production Terms and Conditions ("Terms") available on the LMC supplier portal and upon request. The Terms and all Supplemental Documents (as defined in the Terms) are incorporated by reference herein and shall be deemed part of the contract between LMC and Supplier even though such documents are not attached to this Purchase Order. The entire relationship between LMC and Supplier, including this Purchase Order, is exclusively governed by the Terms. Any additional or different terms, whether contained in Supplier's forms or otherwise presented by Supplier at any time, are hereby rejected, unless in writing and signed by the Vice President of Purchasing of LMC. In the event that LMC has already received an offer from Supplier, LMC hereby rejects Supplier's offer and makes a counteroffer in the form of the Terms, which Supplier shall be deemed to accept as specified in the Terms.

EXHIBIT 5

Purchase Order 110982



LORDSTOWN
MOTORS

Lordstown EV Corporation

2300 Hallock Young Rd
Warren, OH 44481
USA

Schedule Agreement Purchase Order

PO No.: 110982
PO Release Date: March 11, 2022
PO Status: Approved

SUPPLIER	DELIVERY ADDRESS
Barry L. Leonard and Company Inc. dba Trans Machine Technologies Supplier No.: V05110 920 Brenner Street Winston-Salem , NC 27101 USA Contact: Barry Leonard Phone No.: 336-971-9758 Email: Barry@trans-machine.com	Production Material - Primary Lordstown Facility Jessica Roca 2300 Hallock Young Rd SW Warren, OH 44481 USA Attn: Payment Terms: Net 30 days Incoterms: Incoterm FCA

FIXED DIRECT UNIT COST			PRICE BREAK			
LMC PART No.	PART DESCRIPTION	FIXED DIRECT UNIT COST	MINIMUM QUANTITY	PRICE BREAK DIRECT UNIT COST	START DATE	END DATE
ACBB-054-AB	STTR RGHT HSNG ASSY	187.57				

Buyer: Ben Tomassi
Contact: ben.tomassi@lordstownmotors.com

Send Invoice To: AP@LordstownMotors.com
3PL and Customs Broker: CEVA Logistics
Questions and Logistics Setup: LMCNA@CevaLogistics.com
Quality Assurance Procedures and Requirements will be held to standards outlined in the Supplier Quality Assurance Manual

Approvers	
ss	May 31, 2022
KM	May 31, 2022

Unless otherwise agreed to in writing and signed by the Vice President of Purchasing of Lordstown EV Corporation ("LMC"), this Purchase Order is governed by the Lordstown EV Corporation General Production Terms and Conditions ("Terms") available on the LMC supplier portal and upon request. The Terms and all Supplemental Documents (as defined in the Terms) are incorporated by reference herein and shall be deemed part of the contract between LMC and Supplier even though such documents are not attached to this Purchase Order. The entire relationship between LMC and Supplier, including this Purchase Order, is exclusively governed by the Terms. Any additional or different terms, whether contained in Supplier's forms or otherwise presented by Supplier at any time, are hereby rejected, unless in writing and signed by the Vice President of Purchasing of LMC. In the event that LMC has already received an offer from Supplier, LMC hereby rejects Supplier's offer and makes a counteroffer in the form of the Terms, which Supplier shall be deemed to accept as specified in the Terms.

EXHIBIT 6

Purchase Order 110983



LORDSTOWN
MOTORS

Lordstown EV Corporation

2300 Hallock Young Rd
Warren, OH 44481
USA

Schedule Agreement Purchase Order

PO No.: 110983
PO Release Date: March 11, 2022
PO Status: Approved

SUPPLIER	DELIVERY ADDRESS
Barry L. Leonard and Company Inc. dba Trans Machine Technologies Supplier No.: V05110 920 Brenner Street Winston-Salem , NC 27101 USA Contact: Barry Leonard Phone No.: 336-971-9758 Email: Barry@trans-machine.com	Production Material - Primary Lordstown Facility Jessica Roca 2300 Hallock Young Rd SW Warren, OH 44481 USA Attn: Payment Terms: Net 30 days Incoterms: Incoterm FCA

FIXED DIRECT UNIT COST			PRICE BREAK			
LMC PART No.	PART DESCRIPTION	FIXED DIRECT UNIT COST	MINIMUM QUANTITY	PRICE BREAK DIRECT UNIT COST	START DATE	END DATE
ACBB-053-AB	STTR LFT HSNG ASSY	187.57				

Buyer: Ben Tomassi
Contact: ben.tomassi@lordstownmotors.com

Send Invoice To: AP@LordstownMotors.com
3PL and Customs Broker: CEVA Logistics
Questions and Logistics Setup: LMCNA@CevaLogistics.com
Quality Assurance Procedures and Requirements will be held to standards outlined in the Supplier Quality Assurance Manual

Approvers	
ss	May 31, 2022
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EXHIBIT 7

March 3, 2022 Quotation Sheet

Trans Machine Technologies
Quotation Sheet



Date: March 3, 2022
RFQ #: Lordstown Rotor -

Attn: Ben Tomossi
Customer Name: **Lordstown**
Sales Representative:

Tooling: 50% Due with purchase order with balance due on PPAP approval
Payment Terms: 30 days
Lead Times: Tooling/Prototypes - see below
Price FOB Winston Salem, NC
Raw Material is based on LME @ \$2972.77/ton (adjusted if fluctuates more than 2%)

We are pleased to quote as follows:

Part Number	Description	Material	Voume	Yoke Tube Material EN10210 S355J2H				Epoxy ElectroCoat + Powder Coat				Tax tariff 3% estimate	Ocean Freight	Total		
				Part Cost Casting	Heat Treat			Part Cost Machining	Assembly							
ACBB-074-AB	Rotor Housing W/Yoke	Casting A365-T5	3000	\$ 79.80	\$ 10.26	\$ 42.31	\$ 36.66	\$ 5.14	\$ 40.86	\$ 31.52	\$ 6.83	\$ 2.95	\$ 256.33			
Description				Material	Voume	Part Cost Casting	Heat Treat	Tube 6061-T6	Part Cost Machining	Assembly**	Coating	SGA, pacage	Tax tariff 3% estimate	Original price	Ocean Freight	Total
ACBB-053-AB	STTR LFT HSNG ASSY	Casting A365-T5	1500	\$ 66.71	\$ 9.14	\$ 49.84	\$ 30.79	\$ 23.59	\$ 23.76	\$ 31.64	\$ 6.80	\$ 5.22	\$ 2.60	\$ 250.09		
ACBB-054-AB	STTR RGHT HSNG ASSY	Casting A365-T5	1500	\$ 66.71	\$ 9.14	\$ 49.84	\$ 30.79	\$ 23.59	\$ 23.76	\$ 31.64	\$ 6.80	\$ 5.22	\$ 2.60	\$ 250.09		

Lead time	Tooling Lead-Time - 15 Weeks after PO and Frozen drawing ISIR - 2 weeks after tooling finalized PPAP - 5 weeks after ISIR is approved Production - 13weeks after PPAP approved
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** Includes assembly of ring, 8 thread inserts, O-Rings (supplied by customer), grease

****Global Ocean Freight is extremely volatile at the moment. TMT is not responsible for any Vessel Delays, Port Delays, Cost Increases, etc. Normal Ocean transit time is ranging anywhere from 60 to 75 days. Prices are as current prices for FCL containers. Ocean freight surcharge will be calculated at the time of shipment and applied as a separate line on the invoice. Air freight is available for**

Customer shall not request quotation directly or indirectly through any third party or its affiliated companies to TMT's partners who quotes this program to TMT;

Customer shall notify TMT immediately if any of TMT's vendors contact directly or indirectly through any third party to customer in purpose of quoting the same products or similar products.

In lieu of specific packaging requirements by the customer, expendable dunnage will be utilized to ship this product.

Should volumes of castings shipped after (6) months of production, not meet projections within +10% or -10%, upon which this quotation is based, TMT reserves the option of adjusting pricing, if it is determined, after discussions with the customer, that annual quantities will not be achieved.

Any customer specifications that were not included in the quotation package or which are outside of the manufacturing plant's capabilities, have not been accepted. This quotation does not take them into consideration.

This quotation is subject to review.

This quotation is valid for a period of 90 days.

In no instance will the suggestion of an alternate material, part design, by TMT, of the design responsibility for the part. The customer retains the responsibility to design and specify a part suitable for the use the customer intends for the part. The customer is responsible for the design and specification of the part and the correct selection of heat treatment and alloy for the part.

Sincerely,

Barry L. Leonard

Barry Leonard
President, CEO

EXHIBIT 8

Forecast Policy

LORDSTOWN EV CORPORATION
FORECAST AND RELEASE POLICY

This Forecast and Release Policy is a Supplemental Document, as defined in the Lordstown EV Corporation General Production Terms and Conditions (the “T&C’s”), and as such, is binding on the Parties. This document (the “Policy”) clarifies and establishes the responsibilities of each Party with regard to the Releases and Scheduling Forecasts defined in Sections 2.2 and 2.3 of the T&C’s, respectively.

1. DEFINITIONS

1.1. Unless explicitly defined herein the capitalized terms in this Policy have the definitions provided in the T&C’s.

2. FIRM ORDERS

2.1. If the Purchase Order (on its face) specifies the quantity of Products to be purchased as well as a delivery time, that quantity and delivery time are binding Buyer, Designated Purchaser, and Supplier.

2.2. If the Purchase Order (on its face) does not specify the quantity of Products to be purchased, or specifies the quantities as “blanket order”, “as released”, “as scheduled”, “as directed”, “subject to Buyer’s production releases”, or other similar language, then Buyer or Designated Purchaser will issue forecasts and firm orders as set forth below.

2.2.1. The terms Release and Scheduling Forecast are defined in Sections 2.2 and 2.3 of the T&C’s, respectively.

2.2.2. Scheduling Forecasts are forecasts of Designated Purchaser or Buyer’s upcoming production of Vehicles and/or need for delivery of Products;

- a. Although Supplier is required to hold capacity open as set forth in each Purchase Order, Supplier may use the Scheduling Forecasts for planning purposes.
- b. Scheduling Forecasts will be issued on a weekly basis starting Q1 2022.
- c. Supplier is responsible for managing its supply chain, including placing orders for materials and subcomponents (together, “Materials”) to its Products in sufficient time to ensure that the Supplier can manufacture and deliver the Products to Buyer as required and agreed.
- d. Buyer or Designated Purchaser will backstop Supplier’s orders to its suppliers for Materials by purchasing Excess Materials from Supplier.

2.2.2.d.1. “Excess Materials” are those Materials purchased by Supplier pursuant to any Scheduling Forecast issued by Buyer or Designated Purchaser no earlier than twelve (12) weeks prior to production (the “Earliest Materials Purchase Date”) that were not actually used in production of the Products purchased by Buyer or Designated Purchaser.

2.2.2.d.2. As a condition to Designated Purchaser or Buyer’s obligation to purchase the Excess Materials, Supplier must demonstrate it used

reasonable efforts to mitigate any cost to Designated Purchaser or Buyer and that the Supplier is unable to use the Materials in any other way.

2.2.2.d.3. To be eligible for purchase by Designated Purchaser or Buyer, the Excess Material must not have been purchased in amounts in excess of that necessary to produce Products in amounts shown on the Scheduling Forecasts.

2.2.3. Releases are firm orders by Designated Purchaser or Buyer for delivery of Products.

a. Releases will be issued by Designated Purchaser or Buyer no later than four (4) weeks prior to production.

3. CHANGES

3.1. This Policy may be changed, updated, or revised by Buyer from time to time. After Buyer revises the Policy, it will upload the Policy to the Supplier Portal and notify Supplier of same, or Buyer will send the Policy to Supplier via e-mail. The changed, updated, or revised Policy will be effective as of the date Supplier is notified via e-mail. Supplier will have five (5) business days after notification to object in writing to the changed, updated, or revised Policy. In that event, the prior Policy will again have binding effect and Buyer and Supplier will negotiate in good faith; if mutual agreement over the changed, updated, or revised Policy is accomplished, then Buyer will note same on an amendment to the Purchase Order and the parties will execute same.

END OF DOCUMENT