

Shiloh Industries

EUROPEAN GENERAL PURCHASING CONDITIONS

1. Definitions

In the GPC and related documents, the following definitions will have the meaning set out below.

“Annual Layout Inspection” will mean the complete measurement of all part dimensions to ensure compliance with part specifications.

“Defective Part” will mean a Part that does not conform to the warranties in Section 17.

“Part(s)” will mean the component(s) that the Supplier will supply to Shiloh, including, as applicable, services, assemblies and accessories, raw materials and tooling.

“Party” or **“Parties”** will mean, as applicable, the Supplier and/or Shiloh.

“Purchase Agreement” will mean the contract between Shiloh and Supplier.

“Purchase Order” will mean an order from Shiloh submitted to the Supplier for its supply of Parts, regardless if the order is named “Quantity Order”, “Open Order”, “Delivery Schedule”, “Call Off” or the like.

“Shiloh Industries” or **“Shiloh”** will mean Grouper Acquisition Company LLC dba Shiloh Industries LLC or any of its subsidiaries respectively. Any company of the Shiloh Industries group will have the right to buy the Parts from the Supplier on the terms agreed in this GPC and related documents.

“Supplier” will mean the Party identified on the front of this agreement.

“Technical Specification” will mean the documentation agreed upon by the Parties which describes the Part’s shape, function, material content etc. Unless otherwise agreed, the specification of requirements issued by Shiloh will apply as a Technical Specification.

“Tooling” will mean all tools, jigs, fixtures, moulds, models and other equipment supplied by Shiloh or specially manufactured or adapted for manufacture or quality control of the Parts.

2. Conclusion of a Purchase Agreement and Contractual Documents

2.1 A Purchase Agreement is created between Shiloh and the Supplier when Shiloh has issued a Purchase Order to the Supplier and the Supplier has accepted such Order. The Supplier will be deemed to have accepted the Purchase Order at the earlier of (i) the Supplier notifying Shiloh of its acceptance or (ii) the Supplier beginning performance pursuant to the Purchase Order.

2.2 Shiloh accepts no liability for Purchase Orders for Parts, components, raw material or services that have not been placed in accordance with this Section 2.

2.3 A Purchase Agreement includes these General Purchasing Conditions and, to the extent that they are issued, the following documents:

- a) Frame Purchase Agreement, if applicable
- b) General Purchasing Conditions
- c) Purchase Order
- d) Tooling Purchase Order
- e) Technical Specifications
- f) Delivery Schedule or Call Off, where applicable
- g) Shiloh Global Supplier Manual

2.4 In the event of a conflict between the documents which constitute a part of the Purchase Agreement, the documents will apply in the order they are mentioned in Section 2.3 unless otherwise expressly agreed in a specific document signed by both Parties.

2.5 This Purchase Agreement is expressly limited to the terms or conditions contained herein and will not include any terms or conditions submitted by the Supplier unless agreed to in a writing signed by Shiloh.

3. Orders and Quantities

3.1 Shiloh will submit a Purchase Order for Parts to the Supplier. If Shiloh submits an Open Order, the Open Order is valid until it is cancelled and does not give a defined quantity or a start of production date.

3.2 Shiloh and the Supplier are aware Shiloh’s orders of Parts are determined by Shiloh customers and that both Parties must adjust the production and supply volumes accordingly.

3.3 Shiloh will, in its sole discretion, be entitled to provide requirements of quantities, delivery dates and other relevant delivery instructions in a separate Delivery Schedule.

3.4 The Delivery Schedule may set forth: (a) A fixed quantity of Parts to be delivered on a fixed date; or (b) An OCT (Order Coverage Time) which covers the forecasted quantities for eight (8) weeks.

3.5 Shiloh may, at any time, submit to the Supplier an updated Delivery Schedule. If the Supplier objects to any updated Delivery Schedule, such objection will be made in writing within the period set out in the applicable Delivery Schedule, or, if no time limit is set out, within two (2) working days after receipt of the updated Delivery Schedule. If no objection has been provided as set forth above, the updated Delivery Schedule will be considered accepted by the Supplier.

3.6 Any quantity included in the OCT will be considered a forecast only and will not be binding on Shiloh until such quantity is within two (2) days of the projected delivery date, at which time such quantity will become firm. The Supplier is obliged to maintain such production and delivery capacity so that deliveries can be according to the forecast quantity. Should the Supplier deliver Parts in excess of firm quantities or prematurely, Shiloh will not be responsible for taking delivery of, storing or maintaining such Parts and will further be entitled to return such Parts to the Supplier at the Supplier’s expense or receive compensation from the Supplier for storage costs.

4. Shipping and Delivery

4.1 Time is of the essence, so Supplier will meet the delivery dates provided. If expedited shipping is necessary to meet such dates for reasons other than Shiloh’s direct responsibility, then Supplier will bear the costs of such expedited shipping. Unless otherwise agreed in writing in the Purchase Order or Frame Purchase Agreement, the delivery terms will be INCOTERMS 2010 “FCA” the Supplier’s premises.

4.2 In the event of a late delivery of a Part, Shiloh is entitled to (a) completely or partly terminate the Purchase Agreement of the Part and of other Parts which are not usable due to the late delivery, and (b) make substitute purchases from other suppliers at Supplier’s expense.



4.3 The Supplier will be responsible for making transportation arrangements with the freight forwarder assigned by Shiloh at the time and on the date(s) specified on the transport instructions.

4.4 The Parts will always be suitably, carefully and appropriately packed, marked and labelled by the Supplier, and the Supplier will follow any specific packing instructions issued by Shiloh.

4.5 The Supplier will compensate Shiloh for direct and indirect losses and damages arising out of or relating to the late delivery.

5. Compensation for cancelled purchases

5.1 In the event Shiloh cancels delivery a Part within OCT in accordance with Section 3.4 above, Shiloh will compensate the Supplier for raw materials at Supplier's cost, semi-manufactured Parts at Supplier's cost, and Parts produced; provided that the Parts are included in the OCT. Supplier will arrange for the shipment of such raw materials, semi-manufactured Parts and Parts to Shiloh.

5.2 Shiloh's obligation to compensate for cancellations is conditional upon the Supplier submitting specified claims for compensation in writing not later than two (2) weeks after the cancellation.

6. Ownership

Title, interests and rights to the Parts will pass to Shiloh upon delivery of the Parts in compliance with the Purchase Agreement. Supplier will bear the risk of loss until the Parts are delivered to Shiloh.

7. Price

7.1 The Parties will agree on prices for the Parts, which will be included in the Purchase Order. The price will be inclusive of all duties, levies and taxes in the country of origin of the Part, excluding value added tax or equivalent tax. **The price stated in the Purchase Order will apply until the Parties agree on a new price in writing.**

7.2 During the term of the Purchase Agreement, the Supplier will provide Shiloh with Parts that are competitive in terms of price, quality, delivery and technical function. If Shiloh considers that the Supplier's delivery of Parts is no longer competitive in relation to price, quality, delivery and/or technical function even though the delivered Parts are in accordance with the terms of the Purchase Agreement, Shiloh will supply the Supplier with information supporting its belief. The Supplier and Shiloh will in good faith discuss how to make the Part competitive. If the Parties are unable to arrive at a mutually acceptable solution within thirty (30) days after Shiloh's notification, then Shiloh will have the right to terminate the Purchase Agreement insofar as it concerns the non-competitive Part by giving the Supplier thirty (30) days' notice.

8. Payment and Invoicing

8.1 Payment will be made within the agreed term of payment (calculated from receipt of the original invoice by the addressee stated on the Purchase Order, but not earlier than the day of delivery), and will be made in accordance with any other conditions that the Parties have agreed upon in writing. The term of payment will be sixty (60) days from the end of the month of delivery. A condition for timely payment is that the invoice is correctly addressed, without being marked for the attention of any individual, and includes all relevant information that is necessary for its proper identification by Shiloh.

8.2 Remittance of payment does not imply any acceptance of the delivery or of the invoiced amount.

8.3 Shiloh has the right to suspend payment of invoices that are disputed in good faith, or payment of the disputed portion thereof, until agreement has been reached on the disputed amount.

8.4 The Supplier shall send invoices that:

(a) Relate to a specific Purchase Order (the number of the Purchase Order has to be included).

(b) Will be issued at the earliest at the date when the products or services have been delivered or performed.

(c) Contain all information that is necessary in order to identify the products and services (including the Purchase Order number).

(d) Contain all information related to the payments terms.

(e) Sent to the address named in the Purchase Order.

Shiloh shall be entitled to reject, return and not pay invoices that do not conform to the foregoing requirements.

9. Set-off

Without prejudice to Shiloh's other rights and remedies, and after prior written notice, payment to the Supplier under this Purchase Agreement may be subject to set-off or recoupment for any present or future claims which Shiloh may have against Supplier arising out of any transaction with the Supplier.

10. Supplier's quality system and production

10.1 The Supplier will comply with SS-EN ISO 9001:2015 and SS-EN 14001:2015 and conduct development towards IATF 16949:2016. The Supplier will work toward having zero defects and will make continuous improvements.

10.2 Upon reasonable advance notice, Shiloh will be entitled to inspect and monitor the Supplier's business in order to verify the due and proper fulfilment of the requirements set forth in Section 10.1. The Supplier recognizes that the right to perform such inspection may also be exercised by a customer of Shiloh or by any Shiloh representative.

10.3 If inspection is made on the premises of the Supplier, the Supplier will, free of charge, provide reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties.

10.4 The Supplier will immediately inform Shiloh of any Defective Parts, discovered or anticipated.

10.5 Shiloh's inspection, test, acceptance or use of a Part does not relieve the Supplier from any responsibility regarding Defective Parts or other failures to meet the requirements of the Purchase Agreement. Shiloh's rights under this Section 10 will be in addition to and will not diminish its rights under the Purchase Agreement or any other warranties, express or implied, provided by the Supplier.

11. PPAP and Testing

11.1. Upon entry into a Purchase Agreement or after modification to the Technical Specifications, and prior to the delivery of Parts, the Supplier will manufacture and perform quality control of samples in accordance with Shiloh's Global Supplier Manual (located on Shiloh's website at Shiloh.com).

11.2 Once a sample has been approved, alteration of the function, appearance, characteristics, material, production method, place of manufacture, Tooling or other equipment which may affect the Part may be done only after written approval on each occasion from Shiloh. When a change is approved by Shiloh, testing will be done in accordance with Section 11.1. Delivery may thereafter be made only after renewed approval of a sample.

11.3 If Shiloh rejects a sample, the Supplier will make rectification so that the requirements referred to in this Section 11 are fulfilled and will reimburse Shiloh for any costs incurred.

11.4 Shiloh's approval of samples will not affect the Supplier's liability and obligations in accordance with the Purchase Agreement.

11.5 Annual Layout Inspections are required to verify continuing conformance on all Parts and components. Results of the Annual Layout Inspection will be available for Shiloh's review upon request.



If Shiloh is required to submit PPAP to its customer, all Supplier PPAP documentation must be updated if more than one year old.

11.6 All samples and testing requested and needed for the PPAP approval process are to be delivered free of charge.

12.Subcontracting

The Supplier may not relocate or subcontract production of a Part, wholly or partly, to a third party without Shiloh's written consent. If Shiloh grants such consent, the Supplier will ensure that the provisions of the Purchase Agreement are complied with. This does not, however, in any way exempt the Supplier from its obligations set forth in the Purchase Agreement.

13.Work on Shiloh premises

If the Supplier performs work on Shiloh premises, the Supplier will ensure that any personnel including subcontractors will comply with all of Shiloh safety and security policies and procedures and take all necessary precautions to prevent the occurrence of any personal injury or property damage during progress of such work. The Supplier will be responsible for any costs incurred by their employees while on Shiloh premises. The Supplier will maintain insurance covering all work performed on Shiloh premises and all personnel involved in such work.

14.Technical modifications

Shiloh reserves the right to modify the Technical Specifications of a Part at any time. Supplier may make no change to the Technical Specifications without agreement from Shiloh. Any change in price or other conditions resulting from a modification will be agreed upon in writing prior to any change of production equipment and prior to the commencement of delivery by the Supplier of any modified Part.

15.Export controls and origin

15.1 If any Part, or component therein, which the Supplier delivers to Shiloh are subject to national export or control regulations, the Supplier will be obliged to notify Shiloh in writing thereof and of the scope of the export restrictions, prior to entry into the Purchase Agreement, or, if such regulations come into effect following the Purchase Agreement, as soon as reasonably practical thereafter.

15.2 The Supplier will upon delivery provide Shiloh with an export certificate or its equivalent containing among other things details of the origin of a Part delivered and value for export or/and import purposes.

16.EDI (Electronic Data Interchange)

Shiloh prefers to use EDI to communicate with suppliers and customers. Upon Shiloh request the Supplier will cooperate with Shiloh to activate such EDI communication between the Parties.

17.Warranty

17.1 The Supplier warrants that the Parts supplied are free from defects. A Part is defective if it

- (f) in any respect deviates from the Technical Specification,
- (g) does not possess the characteristics that the Supplier has referred to through samples, prototypes or in marketing,
- (h) is not as safe as Shiloh could reasonably have expected,
- (i) is not fitted for the particular purpose for which Shiloh intended it to be used, or
- (j) otherwise deviates from what Shiloh reasonably could have expected.

17.2 The warranty period will terminate twenty-four (24) months after the later of (a) the date on which a Part has been delivered to a final customer; and (b) the date on which a Part has been brought into use on Shiloh's own behalf (in a manner other than by incorporation in another product). The above-stated time limit will, however, not apply, should there be a risk of personal injury or damage to property other than the Part, or of a repetitive defect.

17.3 The Supplier warrants that it will comply with all applicable legislation, regulations and with standards employed within the industry, including in relation to quality, environment, safety, health and CE markings.

18.Defects

18.1 In the event that a Part is Defective, Shiloh will be entitled, at the Supplier's expense, to (a) immediate rectification or demand immediate delivery of substitute Parts, and (b) sort and inspect all Parts and continue sorting until Supplier resolves the quality issue at Supplier's expense.

18.2 Supplier will repair or replace all Defective Parts. If a Defective Part cannot be repaired or replaced without delay or there is a risk of production or delivery disturbances from Shiloh, then Shiloh will be entitled, without the Supplier's consent and at the Supplier's notice, to make the necessary repair work or wholly or partly terminate the Purchase Agreement for the Defective Parts.

18.3 In addition, Supplier will compensate Shiloh for its administration costs with 150 EUR (or equivalent in other currencies) for each Supplier Rejection Report (CC 2XXXX) issued to Supplier, as well as any loss or damage, direct or indirect, arising out of or relating to the defect, including, but not limited to, costs for assembly, including detection and analysis, scrapping and transportation, and assembly and disassembly.

19.Product liability and insurance

19.1 The Supplier will compensate Shiloh for all direct and indirect losses and damages arising out of or relating to a Defective Part or product causing personal injury or property damage. If Shiloh receives such a claim, Shiloh will notify the Supplier, and the Parties will undertake all necessary investigations in order to defend such claims.

19.2 If Shiloh's customer recalls a product containing the Part due, in whole or in part, to Defective Parts, the Supplier will compensate Shiloh for the costs associated with such recall.

19.3 The Supplier will enter into and maintain an adequate product liability insurance policy during the period of the Purchase Agreement and will at Shiloh's request supply Shiloh with a copy of the insurance certificate.

20.Intellectual property rights

20.1 If Shiloh's purchase of a Part initiates development or design work, any intellectual property rights arising from such work will accrue to Shiloh. If, however, the Supplier has, at his own expense, contributed substantially to such work then potential intellectual property rights will accrue to the Parties jointly.

20.2 The Supplier will be responsible for ensuring that the Part or its use does not infringe the intellectual property rights of a third party. In the event that a Part infringes the intellectual property rights of a third party, the Supplier undertakes to indemnify Shiloh and Shiloh's customers for all costs arising out of or relating to the Part or its use and either to replace the Part by another equivalent Part or to obtain all necessary consents.

20.3 Prior to entering into the Purchase Agreement, the Supplier will inform Shiloh of all intellectual property rights of which he is aware that affect a Part.

20.4 The Supplier will not use any corporate name or trademarks belonging to companies within Shiloh under the Purchase Agreement.

20.5 Supplier will not produce parts utilizing Tooling or Shiloh intellectual property without Shiloh's written consent.

21.Tooling



21.1 Tooling will be subject to the following.

- a) The Supplier will establish a register, accessible to Shiloh, of all Tooling.
- b) The Supplier will, at Supplier's expense, maintain Tooling in such a way that the applicable Part Technical Specifications are complied with. In the event that Tooling owned by Shiloh requires renewal, the Supplier will promptly notify Shiloh.
- c) Shiloh will be entitled to acquire for a reasonable charge, and thereafter to freely utilise, such Tooling as is owned by the Supplier when deliveries of the relevant Part to Shiloh for serial production will cease.
- d) The Supplier will ensure that Tooling is stored in a safe and adequate manner and that it is insured for an amount equivalent to its replacement cost.
- e) Tooling may not be destroyed or scrapped without Shiloh's written consent. Tooling that is the subject of intellectual property right(s) may furthermore not be copied without the consent of the owner of such intellectual property right(s).
- f) The Supplier will mark Tooling in such a way that Shiloh ownership is clearly shown, and Supplier will inform insurers as to the fact of Shiloh ownership.

21.2 An invoice related to Tooling ordered by Shiloh will not be issued until such Tooling has been approved by Shiloh.

22. Provision of spare parts

The Supplier will, pursuant to the conditions of the Purchase Agreement, supply Parts for fifteen (15) years following serial production of the Parts, at the price applicable in the final serial production Purchase Order. This period may be extended by Shiloh upon notice in writing.

23. Communication

The Supplier will provide Shiloh its latest Annual Report as soon as it is available.

24. Confidentiality

24.1 All Shiloh information, equipment, know-how and technical documentation, including electronically stored data and computerized geometries, to which Supplier has obtained access through the Parties' business relationship, will for the duration of the Purchase Agreement and for ten (10) years thereafter be treated as confidential and may not be used for any purpose other than for the deliveries to Shiloh. It may not be shown to or in any other way communicated to third parties. Copying or reproduction of such confidential information is permitted only within the framework of the fulfilment of Supplier's obligations and with regard to the applicable copyright laws and regulations.

24.2 The Supplier may not make public the business relationship of the Parties through advertising or in any other way without prior written consent from Shiloh.

24.3 The Supplier will at Shiloh's request either return or destroy everything referred to in Section 24.1, including copies thereof.

25. Waiver

No failure or waiver by either Party in the enforcement of any condition or section of these GPC will operate as a discharge of such condition or section, nor impair the right of the parties to enforce the same in the event of any subsequent breach.

26. Severability

If any provision of the Purchase Agreement will be found to be illegal or unenforceable, only said provision will be considered invalid and the remaining provisions will remain in force. Such provision will be modified to conform to the applicable law, and such modified provision will continue in full force and effect.

27. Transfer and assignment of agreement A Party may neither transfer nor assign its rights or obligations under the Purchase Agreement without the written consent of the other Party. However,

Shiloh may transfer or assign such rights or obligations to any other company within Shiloh without Supplier's consent.

28. Amendments and additions

28.1 To be valid, any amendment or modification of the Frame Purchase Agreement must be in writing and signed by both Parties.

28.2 If any part of the Purchase Agreement be translated into a different language, the English version will control.

29. Compliance with laws

Each party will comply with all relevant laws and legislation. This will include, but is not limited to, the Foreign Corrupt Practices Act of the United States ("FCPA") and the Bribery Act 2010 of the UK ("UK Bribery Act").

30. Applicable law

The Purchase Agreement and all matters arising out of or relating to the Purchase Agreement will be governed and construed in accordance with Swedish substantive law; provided that Swedish substantive law shall not govern such matters when the laws of a controlling jurisdiction mandates that such matters are legally required to be governed by the applicable laws of such controlling jurisdiction.

31. Force majeure

31.1 Neither Party will be liable for a failure to perform which arises from any cause or event beyond the reasonable control and without the fault or negligence of such Party, including but not limited to, government actions, acts of God, or labor disputes of any kind; provided that the party whose performance is delayed or is likely to be delayed (a) gives the other party prompt written notice thereof, (b) takes all reasonable steps to avoid or remove the cause of such delay, and (c) resumes performance as promptly as reasonably possible after the cause of such delay ends.

31.2 During any force majeure event affecting Supplier's performance, Shiloh may elect to purchase Parts from other suppliers and reduce its Orders to Supplier by such quantities, without liability to Supplier.

31.3 If the force majeure event is unlikely to conclude within thirty (30) days, Shiloh may terminate the Purchase Agreement without liability to Supplier.

32. Term of the Agreement

32.1 The Purchase Agreement will be valid for an indefinite period.

32.2 Either Party may terminate the Purchase Agreement by twelve (12) months' prior written notice.

32.3 In the event of a material breach by Supplier, Shiloh may terminate the Purchase Agreement upon thirty (30) days' written notice, without liability to Supplier.

32.4 Upon termination of the Purchase Agreement, the Supplier will, at its own cost, use all reasonable efforts to assist Shiloh in the move of production of Parts from the Supplier without any disturbances in the delivery of Parts to Shiloh. This includes, but is not limited to, the return of Shiloh owned Tooling without any delay upon Shiloh's written request.

32.5 Sections 5, 8, 9, 15, 17, 18, 20, 22, 24, 25, 26, 30 and 32 will survive the expiration or termination of this Purchase Agreement.