

Additional Provisions as Attachment to recalm's Quote

1. Confidentiality

The content of this offer and its attachments are the intellectual property of recalm and shall not, without written consent, be made known to third parties.

2. Safety Stock of finished Goods

The Safety Stock quantity has to be defined and is not included in the offered price

3. Allocation and Shortage Phase

Both parties will ensure close coordination with security of supply if there are signs of an allocation phase for certain components on the market. Each party is responsible for their own additional costs (customer to be responsible for any additional transport or component costs and validation/re-engineering cost).

4. Material and module Call-Off Horizon

Within the period mentioned below the quantity identified in the order for delivery is binding and can be changed only after approval by the supplier.

Ready-to-install products: **26 weeks**

Products that are in stock at recalm for more than 6 months, recalm is entitled to ship and invoice these products.

5. If sub-suppliers to recalm change component prices by more than 5 % within six months, recalm reserves the right to adjust prices.

6. If there are delays, postponements or cancellations of the program milestones, which were not the responsibility of recalm, recalm reserves the right to invoice and be paid, the investment costs (if any) per the original program dates agreed at nomination. This includes any raw material specifically order to meet the original planned timing that cannot be postponed or cancelled.

7. Any mandatory legal specifications must be provided in writing (IATF Clause 8.4.2.2 & 8.6.5) to recalm.

8. Warranty

24 months starting with the shipping date from recalm to the customer.

9. In case recalm is directed by the customer to deliver to a third party, recalm will cover only the equal amount of costs associated with shipping to the contracted customer. recalm will not accept "accumulated risk" for additional or alternate customers in the delivery chain.

10. Directed Components

In case the customer dictates components to be used by recalm those agreements apply which are valid between recalm's customer and the supplier of the dictated components, e.g. ToP, ToD, QAA, Warranty Agreement. The customer will hand over those documents to recalm on request.

For directed components there is no extra validation, audit or approval process planned from recalm because this is under the responsibility of recalm's customer. In case recalm's customer requires additional services like product reviews and approvals for series production of the dictated component and its supplier or any validation of this component recalm is willing to quote this additional service.

To the extent that recalm should incorporate the customer's or third party's pre-installed parts into its products upon request (of the customer), recalm assumes no liability for the function, safety and freedom from defects of these pre-assembled parts and the associated costs. In this respect, recalm's liability is limited to observing the usual care in accordance with the state of the art when integrating the set parts into the scope of services and to carrying out the tests agreed with the customer or otherwise usual. Directed parts must be made available on time with the specified quality, testing and release levels (sample statuses) at the times specified in the development schedule.

11. In cases where the customer dictates the components (see item above), the commercial and technical responsibility remains at the customer's in full. In case of non-conformity of the application, the customer is responsible for all related costs.

12. In case of not achieving the contracted ordering quantity, the outstanding amortization amount has to be paid as a lump sum (in case amortization is part of the piece price).
13. The component market situation and allocations may cause extensions of delivery dates stated by recalm as well as price adjustments due to situations beyond recalm's control. Results in the extended/postponed replenishment time, delivery dates as well as increased purchase prices, modified by the manufacturer/distributor, will be applied directly to the program deliverables to our customers.

Date of delivery and prices indicated by recalm are only extended to the customer with the provision that recalm is punctually and properly supplied by the manufacturer/distributor at the originally stated prices. recalm will not assume responsibility or liability for damages of any kind, which our customer or any other party may incur due to market situations.

14. The customer is responsible for all residual material whereby excess material remains as a result of minimum purchase quantities and/or standard packaging units and any impact from Engineering or Design Change notices. Invoicing residual material or material with exceeded expiration date will occur upon the absence of orders or prolonged delay in the consumption of material (incl. material markup).
15. The development and system responsibility as well as system safeguard and quality investigations are the responsibility of the customer.
16. There are no investigations related to system safeguard (Lifetime test, climate test, EMV measurements) calculated by recalm.
17. Offer is valid, subject to final approval of all relevant engineering standards and documents from customer. In case customer of customer's specifications are applicable those specifications need to be provided by recalm's customers to recalm first, reviewed and specifically accepted by recalm.
18. The offer is based on our production process used and released in recalm's production sites. Any additional requested engineering standards or requirements are not part of this quotation.
19. Retention of title: recalm retains title of ownership to the goods, even after their sale by the Customer, until payment of any and all claims arising from this contract has been made in full.

Any processing or transformation of the delivered goods by the customer shall always be carried out on behalf of recalm. If the delivered goods are processed, inseparably combined or mixed with other items not belonging to recalm, recalm shall acquire co-ownership of the new item in the ratio of the value of the delivered goods to the other processed items at the time of processing, combining or mixing. If the delivered goods are combined or mixed in such a way that the customer's item is to be regarded as the main item, the customer and recalm hereby agree that the customer shall transfer co-ownership of this item to recalm on a pro rata basis.

The Customer is entitled to resell the goods subject to retention of title in the ordinary course of business under its normal conditions. In the event of resale, the Customer hereby assigns to recalm its receivables from resale up to the amount of our invoice value (including VAT). recalm hereby accepts the assignment. The Customer is authorized to collect these receivables even after the assignment. The right to resell and the authorization to collect receivables shall lapse where the Customer is over-indebted or has suspended payments, or an insolvency petition has been filed against its assets or there is any other significant deterioration in its financial circumstances. In this event, recalm may also exercise its unaffected right to collect the assigned receivables itself and demand that the Customer inform its debtors of the assignment. Notwithstanding the foregoing, recalm may demand at any time that the Customer discloses to it the assigned receivables and their debtors, provides all information necessary for collection and hands over the relevant documents.

20. Termination of contract without notice is permitted if there is good cause that makes it unreasonable for recalm to continue the contract, even considering the legitimate interests of the customer. An important reason exists in particular if a significant deterioration in the financial circumstances of the customer occurs or threatens to occur and the payment of the purchase price or the fulfillment of another obligation to recalm is thereby at risk.
If the important reason is the breach of a contractual obligation, termination is only permissible after the unsuccessful expiry of a reasonable period of notice.
21. recalm isn't liable for claims of third parties related to infringement of a patent or similar issues regarding products produced.

22. All customers required or referenced documents, specifications, validation requirements technical, commercial and legal standards must be provided by the customer prior to quote submission. A listing of such documents is not sufficient and may result in an inaccurate quote. Those Standards apply which are valid at the time of the acceptance of the (frame) order. In case there are standards available e.g. on the customer's portal (including updates of already accepted standards), those (updated) standards are only valid if signed by the supplier.
23. recalm accepts to take over those cost for non-conformal products which occur due to rework, sorting, warranty cost, freight cost once the failed parts is being returned to recalm for inspection PRIOR to a commercial claim. The cost coverage is capped by recalm's insurance policy which can be provided on request. Any of those cost actions need to be announced to recalm and released by recalm prior to being initiated by the customer.
24. NTFs (No Trouble Found) failures and their related cost are only accepted by recalm case there is a proven partial responsibility.
25. Recalm does not accept a 'Fit for Function' Clause.
26. **8D Reporting**
In case of a failure, on request by the customer recalm will follow the International 8D reporting process and format for the quality response procedure.
27. **Branding**
It is agreed that recalm products are only marketed by the customer under the name 'recalm', whereby the name and logo of the company 'recalm' remain clearly recognizable on the product. A recalm product may not be marketed or sold as 'white labeling (= without recalm's logo and name) without the express written consent of recalm. However, the customer is permitted to add its own logo and/or name to the recalm product in addition to the recalm logo and name (with the prior consent of recalm). The product must continue to be clearly recognizable as a recalm product and the recalm logo must remain clearly visible.