

**CONFIDENTIAL****1. DEFINITIONS**

- 1.1. **YASA** means YASA Limited and its successors and/or permitted assigns.
- 1.2. **Supplier** means the supplier identified in the Purchase Order.
- 1.3. In these Terms (and any annexes or attachments hereto) the following words and phrases shall, unless the context otherwise requires, have the following meanings:

**Affiliate** means in relation to either Party, a company or other entity which is a holding company or a subsidiary, or a subsidiary of any such holding company, of that Party;

**Business Day** means any day (other than a Saturday or Sunday) on which banks are open in the City of London for the transaction of normal banking business;

**Commencement Date** means the date on which the Contract comes into force, as set out in the Specification.

**Confidential Information** means all communications and all information including Know-How whether written, visual or oral, and all other materials, of a confidential or proprietary nature (including inventions, trade secrets and information of commercial value) supplied by either Party to the other under these Terms, and Results shall be deemed Confidential Information of YASA;

**Contract** means the contract entered into between the Supplier and YASA consisting of the terms contained in the Specification, the relevant Purchase Order and these Terms, with effect from the Commencement Date;

**Goods** means the components, raw materials or any other goods to be supplied by the Supplier under a Purchase Order and in accordance with any relevant Specification.

**Insolvency Event** in relation to a person, means any of the following: (a) a meeting of creditors of that person being held or an arrangement or composition with or for the benefit of its creditors (including a voluntary arrangement as defined in the Insolvency Act 1986) being proposed by or in relation to that person; (b) a charge holder, receiver, administrative receiver or other similar person taking possession of or being appointed over or any distress, execution or other process being levied or enforced (and not being discharged within seven days) on the whole or a material part of the assets of that person; (c) that person ceasing to carry on business or being deemed to be unable to pay its debts within the meaning of section 123 Insolvency Act 1986; (d) that person or its directors or the holder of a qualifying floating charge giving notice of their intention to appoint, or making an application to the court for the appointment of, an administrator; (e) a petition being presented (and not being discharged within 28 days) or a resolution being passed or an order being made for the administration or the winding-up, bankruptcy or dissolution of that person; or (f) the happening in relation to that person of an event analogous to any of the above in any jurisdiction in which it is incorporated or resident or in which it carries on business or has assets;

**Intellectual Property Rights** means patents, utility models, trademarks, domain name rights, design rights, copyrights and related rights (including, without limitation, rights in

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computer software), topography rights, rights in confidential information, trade secrets and know-How, rights in databases and other intellectual property rights, in each case whether registered or unregistered and including applications for the grant of any such rights, any rights to make such applications, all future and contingent rights, rights to claim damages for prior infringement and other accrued rights of action and all renewals and extensions, and all rights having equivalent or similar effect anywhere in the world;

**Party/Parties** means YASA and/or Supplier;

**Purchase Order** means a purchase order setting out the Supplier, the Specification, the quantity of Goods to be purchased, time scales (if specific time scales are required), the charges, the delivery terms (if a basis for delivery of Goods is to apply other than as set out in the Terms) and any other relevant details applicable to the Contract;

**Specification** means the specification of the Goods referred to in the relevant Purchase Order and including the details set out in Clause 3.1;

**Supplier Quality Manual** means the YASA supplier quality manual referred to in Clause 3, which may change from time to time, an up to date copy of which can be found at [www.yasa.com](http://www.yasa.com); and

**Terms** means these terms and conditions.

**2. GENERAL**

- 2.1. All Goods shall be provided by Supplier to YASA or its Affiliates subject to these Terms.
- 2.2. No alterations or modifications to these Terms shall be binding on either Party unless expressly accepted in writing by both Parties.

**3. SPECIFICATION & DELIVERY**

- 3.1. The Specification shall set out: (a) what Goods are to be supplied; and (b) relevant performance, operational, technical and/or functional specifications, including but not limited to technical drawings, for particular Goods (if required).
- 3.2. To the extent there is any conflict between the terms of the relevant Purchase Order, the Specification and these Terms (including any amendments pursuant to Clause 2.2), the terms of the Purchase Order or Specification (as appropriate) shall prevail, and the terms of the Purchase Order shall prevail over those of the Specification.
- 3.3. The agreed Specification together with the relevant Purchase Order will form a contract (a "**Contract**") between Supplier and YASA on the terms contained in the Specification, the relevant Purchase Order and in these Terms. The Contract will be terminable in accordance with clause 10.
- 3.4. Supplier will supply the Goods in accordance with the Contract and the requirements of YASA's Supplier Quality Manual.

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- 3.5. The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract.
- 3.6. Unless stated otherwise in the Purchase Order, Supplier will deliver the Goods to YASA according to the INCOTERM FCA, as defined in INCOTERMS 2020, and risk of loss or damage to the Goods shall pass to YASA accordingly, provided that neither such delivery nor any failure by YASA to reject any Goods at the time of such delivery shall be deemed to be an acceptance of any defects that might exist in such Goods at such time.
- 3.7. Title to the Goods, unless stated otherwise in the Purchase Order, shall pass to YASA with full title guarantee, upon payment in full for the relevant Goods being made by YASA.

**4. INTELLECTUAL PROPERTY**

- 4.1. The Supplier shall retain ownership of all Intellectual Property Rights created or acquired before or other than in performance of this Agreement. The Supplier hereby grants to YASA and its Affiliates, with the right to sub-license to YASA customers and their Affiliates, a non-exclusive, worldwide, perpetual, royalty-free licence in relation to such Intellectual Property Rights to the extent necessary for the use of the Goods, the incorporation of the Goods into YASA products, importation and/or sale of YASA products and spare parts to YASA customers in accordance with this Agreement, the incorporation of YASA Products and such spare parts into YASA customer vehicles and the importation and/or sale by YASA customers or their Affiliates of YASA customer vehicles.
- 4.2. The Supplier warrants that any third party Intellectual Property Rights incorporated into the Goods are licensed to the Supplier in writing on terms which permit the supply thereof to YASA, and the grant of rights under Clause 4.1 in accordance with this Agreement.
- 4.3. Subject to Clause 4.1, YASA and its Affiliates shall own all Intellectual Property Rights in the Goods, Specification, in any YASA products and in any related drawings and other information provided by YASA relating to the requirements for the Goods, unless otherwise agreed by the Parties in writing.
- 4.4. Supplier shall indemnify YASA and its Affiliates against any loss, damage and associated costs suffered or incurred by YASA and/or its Affiliates as a result of any claim by a third party that YASA's and/or any of its Affiliate's use of the Goods in accordance with these Terms infringes the Intellectual Property Rights of any third party.

**5. FEES AND PAYMENT**

- 5.1. The Purchase Order shall set out the charges for the Goods to be supplied in accordance with the Contract. The Supplier shall invoice YASA for such charges upon delivery of all Goods to YASA unless specified otherwise in the Purchase Order.
- 5.2. Amounts due under this Contract shall only become payable when the appropriate invoice has been received by YASA.
- 5.3. All sums due under this Contract:

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- 5.3.1 are net of any value added tax or other sales tax or import and customs tariffs and duties which shall be added (if applicable) to all sums payable under this Contract;
- 5.3.2 shall be paid in british pounds sterling, unless otherwise agreed by YASA; and
- 5.3.3 shall be paid to the credit of such bank account as is designated in writing by the Supplier.
- 5.4 All payments shall be made no later than sixty (60) days after the end of the month in which the legitimate invoice is received by YASA. YASA shall not be obliged to pay any proportion of any invoice which is bona fide disputed by YASA pending resolution of such dispute in accordance with this Contract.
- 5.5 Without prejudice to any other right or remedy which may be available to it, whether under this Contract or otherwise, YASA reserves the right to set off against any monies due or becoming due to the Supplier, and/or deduct or withhold from payment of any such monies, any liability of the Supplier to YASA and/or its Affiliates whether under this Contract or otherwise and howsoever arising (whether in contract, tort (including negligence), breach of statutory duty or otherwise and whether such liability is present or future, liquidated or unliquidated).
- 5.6 YASA undertakes to use reasonable endeavours to complete any procedural formalities that may be required in order to permit YASA to make any payment to the Supplier under this Contract free from any Tax Deduction (as defined below), whether in respect of withholding tax or otherwise. If, after exercising reasonable endeavours in accordance with this Clause, YASA is still required by any law or regulation to make any deduction or withholding for or on account of tax or otherwise from any payment to the Supplier under this Contract (a "Tax Deduction"), YASA may make the Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the amount required by law. Within thirty (30) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, YASA shall deliver to the Supplier a copy of any official receipt or receipts issued by the relevant tax authority evidencing that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant tax authority.
- 5.7 Except as otherwise expressly provided in this Contract or otherwise agreed in writing between the Parties, each Party shall be responsible for its own costs incurred in preparing and performing its obligations under this Contract.
- 6. WARRANTIES, UNDERTAKINGS & REMEDIES**
- 6.1 Supplier hereby warrants to YASA that:
- 6.1.1 it has full power and authority to enter into and perform the Contract and that its entry into and performance under the Contract will not cause it to be in breach of any obligations to a third party;
- 6.1.2 the Goods will be free from material defects in materials and workmanship and will conform in all material respects as to quantity, quality and description with the Specification and any agreed variation to the Specification; and

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- 6.1.3. the Goods will comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods
- 6.2. The warranties set forth in this Clause 6 are expressly subject to Clause 7.
- 6.3. The Supplier undertakes not to make any statement, orally or in writing, publicly or privately, or do any act or otherwise conduct itself in such a manner as will or may, in the reasonable opinion of YASA, disparage YASA or its Affiliates, or any third party, including any YASA customer, or its and their clients, customers, business, products or services.
- 6.4. In the event that the Goods do not conform with the requirements of Clause 6.1, the Supplier is responsible for all costs associated with rectifying any non-conformance, including but not limited to replacing any or all of the Goods.
- 6.5. YASA may by notice in writing to the Supplier reject Goods or any part thereof if the Goods fail to comply with the Specification in any material respect or with the warranties in this clause 6 or if the Supplier fails in any material respect to comply with its delivery obligations under this Contract. Inspection of the Goods by YASA shall not affect its rights to reject any Goods that are subject to hidden defects or any claim for breach of contract that it may have. If YASA rejects any Goods it shall specify the reasons therefor. Any rejected Goods shall be returned to the Supplier at the Supplier's own risk and cost.
- 6.6. Following rejection in accordance with Clause 6.5, the Supplier shall, at YASA's option:
- 6.6.1. replace rejected Goods within a reasonable time (not exceeding five (5) days) having complied with the obligation set out in Clause 3.4 and repay to YASA of all monies paid and compensation for all losses, costs and expenses howsoever incurred by YASA following the rejection including any compensation which YASA is contractually required to pay to the relevant YASA customer in connection with such YASA customer's rejection of a YASA product as a result (in whole or in part) of a failure of the Goods; or
- 6.6.2. repay to YASA of all monies paid to the Supplier in respect of any rejected Goods not replaced within a reasonable time by the Supplier and repay to YASA of any compensation which YASA is contractually required to pay to the relevant YASA customer over and above the price paid for the relevant Goods.
- 6.7. YASA may at its option elect to retain and correct any Goods that fail to conform to the requirements set out herein in accordance with any repair procedure agreed between the Parties. If YASA so elects, the Supplier will reimburse YASA for all costs and expenses reasonably incurred by YASA resulting from such correction, including any compensation which YASA is contractually required to pay to the relevant YASA Customer.

**7. LIMITATION OF LIABILITY**

- 7.1. Nothing in the Contract shall exclude or in any way limit any Party's liability for:
- 7.1.1. fraud;

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7.1.2. death or personal injury caused by its own or its contractors', agents' or employees' negligence; or

7.1.3. any liability to the extent the same may not be excluded or limited as a matter of law.

7.2. Subject to Clause 7.1, neither Party shall be liable under or in connection with the Contract howsoever arising (and whether such liability arises due to breach of contract, negligence, misrepresentation or for any other reason) for any:

7.2.1. loss of profit;

7.2.2. loss of or damage to goodwill;

7.2.3. loss of anticipated savings; or

7.2.4. indirect, consequential or special loss,

whether or not such loss was foreseeable or if the relevant Party was advised of its possibility.

**8. INSURANCE**

The Supplier shall, and shall require all sub-contractors, to be at all times during the term of the Contract, and for a period of seven (7) years after the termination or expiry of the Contract (whichever is the later), adequately insured with a reputable insurer, against all insurable liability under the Contract (including: public liability; professional indemnity; product liability; and employers' liability insurance), and shall, on YASA's request, produce to YASA copies of its certificates of such insurance and documentary evidence that the premiums payable thereunder have been paid when due and that such policies are still in force. The Supplier's production of policies of insurance under this clause shall not release the Supplier from its liabilities, indemnities or obligations under this Contract.

**9. CONFIDENTIALITY**

9.1. Each of the Parties acknowledges that, whether by virtue of and in the course of this Agreement or otherwise, it shall receive or otherwise become aware of Confidential Information of the other Party.

9.2. Each of YASA and Supplier shall at all times keep all Confidential Information received from the other Party confidential and shall accordingly:

9.2.1. subject to Clauses 9.3 and 9.4, not disclose or permit disclosure of any such Confidential Information to any other person; and

9.2.2. not use or permit use of any Confidential Information for any purpose other than the performance of its obligations or exercise of its rights under the Contract.

9.3. The obligations on non-disclosure and restricted use in Clause 9.1 shall not apply in relation

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to Confidential Information which the receiving Party can show:

- 9.3.1. is already known to the receiving Party or any of its Affiliates prior to the receipt of such information;
- 9.3.2. is disclosed to the receiving Party or any of its Affiliates legitimately by third parties on an unrestricted basis;
- 9.3.3. is already publicly known when the information was received, or becomes publicly known subsequently, in each case without any violation of the obligations under the Contract;
- 9.3.4. is independently developed by the receiving Party or any of its Affiliates; or
- 9.3.5. is required to be disclosed by the receiving Party by law, regulation or order of a competent authority, provided that, to the extent practicable and lawful in the circumstances, the disclosing Party is in each case given reasonable advance notice of the intended disclosure and a reasonable opportunity to challenge the same.

- 9.4. Each Party shall only disclose Confidential Information of the other Party to those of its or its Affiliates' employees, agents or contractors to the extent necessary for the performance of its obligations or exercise of its rights under the Contract and shall take all reasonable precautions to ensure that such employees, agents or contractors are aware of and comply with these obligations as to confidentiality.
- 9.5. Each Party shall immediately upon becoming aware of the same give notice to the other of any unauthorised disclosure, misuse, theft or other loss of Confidential Information of the other Party, whether inadvertent or otherwise.
- 9.6. Upon the earlier of a written request from the disclosing Party, or the termination or expiry of the Contract for any reason, the receiving Party shall return any and all Confidential Information of the other Party then in its possession or control and will not retain any copies of the same, or, if requested by the disclosing Party in writing, destroy the same and confirm to the disclosing Party in writing that it has done so.
- 9.7. The provisions of this Clause 9 shall remain in full force and effect for period of five (5) years from the date of expiry or termination of the Contract.

**10. TERM & TERMINATION**

- 10.1. The Contract shall be effective from the Commencement Date until delivery of all Goods to YASA unless specified otherwise in the Purchase Order.
- 10.2. Either Party may terminate the Contract if:
  - 10.2.1. the other Party commits a material breach of the Contract which is irremediable or which (if remediable) is not remedied within thirty (30) days of receiving written notification of such breach; or

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- 10.2.2. the other Party ceases or threatens to cease to trade (either in whole, or as to any part or division involved in the performance of the Contract), or becomes or is deemed insolvent, is unable to pay its debts as they fall due, has a receiver, administrative receiver, administrator or manager appointed to the whole or any part of its assets or business, makes any composition or arrangement with its creditors or an order or resolution is made for its dissolution or liquidation (other than for the purpose of solvent amalgamation or reconstruction), or takes or suffers any similar or analogous procedure, action or event in consequence of debt in any jurisdiction.
- 10.3. YASA may terminate the Contract at any time after the Commencement Date by giving the Supplier thirty (30) days' notice in writing.
- 10.4. The expiry or termination of this Contract in accordance with its terms for any reason shall not give either Party the right to claim any compensation or indemnity whatsoever from the other by reason of such termination but termination shall be without prejudice to any rights or remedies available to, or any obligations or liabilities accrued to, either Party at the effective date of expiry or termination including in relation to the reimbursement of reasonable costs incurred.
- 10.5. Provisions of this Contract which are either expressed to survive its expiry or termination or from their nature or context it is contemplated that they are to survive such termination, shall remain in full force and effect notwithstanding such termination. Without prejudice to the generality of the foregoing, Clauses 4, 5, 6, 7, 8, 9, 10.4, 10.5 and 13 shall survive expiry or termination of the Contract.

**11. FORCE MAJEURE**

To the extent and for so long as any unforeseeable and unavoidable event beyond the reasonable control of a Party prevents or delays it in total or in part from carrying out any of its obligations under this Contract (including, without limitation, any of the following: fire, flood, accident, war, riot, insurrection, civil disturbance, pandemic, epidemic, act of government or governmental regulation, but excluding any transportation difficulty, strike (unless national), lock-out or other labour disputes of the Supplier or third parties), the affected Party shall, upon giving prompt notice to the other Party, be temporarily excused from the performance of its obligations to the extent that, and for so long as, non-performance results. During such period, the affected Party shall not be committed to the payment of any compensation but shall use all reasonable efforts to minimise the consequences, to remove the cause of non-performance, and to co-operate with the other Party in finding alternative ways and means of fulfilling its obligations, and shall provide full performance hereunder without delay whenever such causes are removed. The Parties shall endeavour to adapt the Contract to the new situation. In the event that the Parties do not agree upon such adaptation within a period of three (3) months, YASA may terminate the Contract by written notice without need for any further legal or judicial action.



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12.1. The Supplier warrants that it shall:

- 12.1.1. comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and corruption prevention including, but not limited to, and to the extent applicable to the Parties the Bribery Act 2010 of the United Kingdom;
- 12.1.2. promptly report to YASA, in writing, any request or demand for any undue financial or other advantage of any kind received or offered by the Supplier in connection with the performance of this Contract; and
- 12.1.3. upon request by YASA to be made within three (3) months of the Commencement Date and annually thereafter, certify to YASA in writing signed by an authorised representative of the Supplier, compliance with this Clause 12 by the Supplier and all persons associated with it including, but not limited to, its Affiliates and its or their officers, employees, agents or contractors and provide such supporting evidence thereof as YASA may reasonably request.

12.2. Breach of this Clause 12 shall be deemed to be a material breach by the Supplier for the purposes of Clause 10.2.1.

12.3. The Supplier shall indemnify and hold harmless YASA and its Affiliates in relation to any and all claims, actions, losses, damages, liabilities, costs and expenses (including reasonable legal costs and expenses) which YASA and/or its Affiliates may suffer or incur (whether directly or consequentially) in connection with the Supplier's breach of this Clause 12.

**13. MISCELLANEOUS**

13.1. The Supplier may not assign, novate, sub-licence or sub-contract or in any way dispose of its rights or obligations under the Contract to any third party other than its Affiliates without the prior consent of YASA. Such consent may be withheld in YASA's absolute discretion. Any such consent shall not release the Supplier from any of its duties or obligations under this Agreement. The Supplier shall remain responsible for the full and complete performance of its duties and obligations under this Agreement. YASA may transfer, assign or sub-licence this Agreement or any of its rights or obligations hereunder without the prior written consent of the Supplier.

13.2. Nothing in this Contract shall constitute or be deemed to constitute any form of partnership or agency between the Parties for any purpose whatsoever. Neither Party is (without the prior written consent of the other) empowered to act for, bind or otherwise assume any obligation on behalf of the other Party and neither Party shall hold itself out as having authority to do the same.

13.3. Neither of the Parties shall, during the continuance of this Contract or for a period of one (1) year thereafter, procure or induce or attempt to procure or induce (either on its own behalf or on behalf of any other person, firm, company or group) any senior employee, officer or other personnel of the other Party who has been directly involved in this Contract to leave the employment of that Party.

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- 13.4. Any notice required to be served by either Party on the other pursuant to these Terms shall be served at the address first given above or such other address as the other Party may from time to time notify to the serving Party, by first class registered post, registered air mail or by e-mail. Any such notice served by post shall be deemed to have been served in the case of a destination in the UK 2 Business Days after the date of dispatch and 7 Business Days after the date of despatch to any other destination, or in the case of email, when the email is available to be read in the recipient's inbox.
- 13.5. These Terms, Purchase Order and Specification set forth and constitute the entire agreement and understanding between the Parties in respect of the subject matter hereof and supersede any and all previous agreements or understandings between the Parties relating to the such subject-matter (whether oral or in writing). No representation, undertaking, promise or statement shall be taken to have been given or be implied from anything said or written in negotiations between the Parties prior to the Contract except as expressly stated in the Contract and each Party acknowledges that it has not, in entering into the Contract, relied on any such representation, undertaking, promise or statement.
- 13.6. No person who is not a Party to the Contract (including any third party to whom any or all rights and/or obligations under the Contract are assigned, transferred or novated in accordance with the terms hereof or otherwise by written agreement of the Parties) shall acquire any rights under it or be entitled to benefit from any of its terms even if that person has relied on any such term or has indicated to any Party to the Contract its assent to any such term, provided that (i) YASA's Affiliates may enforce, and accordingly shall have the benefit of, all of the terms the Contract which confer rights on them and (ii) the Parties may by agreement in writing terminate, rescind or vary the terms of the Contract (including this Clause 13.6) at any time and in any way without the prior consent of or notice to any YASA Affiliate.
- 13.7. Any term of the Contract which is judged to be void or unenforceable shall to the extent of such invalidity be severable and the continuation in full force and effect of the remainder of the provisions will not be prejudiced. The Parties shall seek in good faith to agree to replace the legally invalid provision, if possible, by an effective provision whose economic effect is as similar as possible to the original provision and the Parties agree that this new provision shall be deemed to have been agreed upon from the time when the original provision became invalid.
- 13.8. Failure by either Party at any time or for any period of time to enforce any provision of these Terms shall not be construed as a waiver by such Party of such provision and shall in no way affect that Party's right later to enforce such provision.
- 13.9. **Dispute Resolution:** The Parties agree that they shall attempt to resolve any dispute regarding any right, obligation, duty, or liability arising out of the provisions of these Terms and/or the Purchase Order and/or Specification ("**Dispute**") through discussions and/or negotiations between the Parties prior to resorting to formal dispute resolution. If, at any time following the commencement of any such discussions or negotiations, either Party determines such discussions or negotiations are not likely to result in a reasonable resolution of the dispute, it may send to the other Party a written statement of the issues or problems being discussed or negotiated ("**Dispute Statement**"). If the dispute has not

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been resolved within sixty (60) days after the mailing of the Dispute Statement, either Party shall have the right to commence proceedings in accordance with this clause 13.9.

- 13.10. The English courts shall have exclusive jurisdiction in respect of any dispute (including any Dispute and all non-contractual disputes or claims) relating to the Contract or its subject matter or formation, save that either Party may have recourse to a court anywhere in the world for the sole purpose of seeking a preliminary injunction or such other provisional judicial relief as it considers necessary to avoid irreparable damage or to protect its Intellectual Property Rights and/or rights in Confidential Information.
- 13.11. The construction, validity and performance of the Contract, and any dispute (including any Dispute and all non-contractual disputes or claims) arising from or connected with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.
- 13.12. This Contract may be executed by the Parties in any number of counterparts and on separate counterparts, each of which shall constitute an original, but all the counterparts together shall constitute one and the same instrument.