



[ENTER MOTHERSON SIGNATORY ENTIY LETTERHEAD - BUYER]

VIA ELECTRONIC MAIL ONLY

[Supplier email]

Effective date (DD/MM/YYYY): [Date]

[Supplier Contact Name]

[Supplier Name]

[Supplier Address]

[Supplier Address]

Re: Nomination Agreement for [Description of Program or Products]

Project: [please describe]

Reference: [please enter]

OEM: [please enter]

According to Technical Specification: [please enter]

RFQ number: [please enter RFQ Number]

Dear Mr./Mrs. [please enter name]:

We are pleased to inform you that your company has been nominated as a supplier in the above project for the following items described below.

This Nomination Agreement (“Agreement”) is entered into by and between

Buyer:	[please enter full legal name of the MotherSON entity]
Buyer register number / VAT Nr.:	[please enter register number / VAT Nr of the MotherSON entity]
Address:	[please enter address of the MotherSON entity]

hereafter referred to as “MotherSON”

acting for itself and on behalf of the following of its subsidiaries, affiliates and associated companies as listed in Appendix 1, all of which have agreed or shall agree to be bound by the terms of this Agreement by separate Declaration of Acceptance.

and

Nomination Agreement

Page 1 of 11

Supplier:	[please enter full legal name of the entity of the Supplier]
Supplier register number / VAT Nr.:	[please enter register number / VAT Nr of the Supplier]
Address:	[please enter address of the Supplier]

hereafter referred to as “Supplier”

acting for itself and on behalf of the following of its subsidiaries, affiliates and associated companies as listed in Appendix 2, all of which have agreed to be bound by the terms of this Agreement,

effective on the date first stated above (“Effective Date”). Motherson and Supplier are referred to throughout this Agreement individually as “Party” or “party” and collectively as “Parties” or “parties”. The Parties agree as follows:

1. Description of Purchasing Contract

1.1 The contractual relationship between the Parties related to the design, development, testing and supply of parts, tooling, or other products (collectively “Products”) consists solely of this Agreement, applicable purchase orders, the applicable Motherson Automotive Terms and Conditions of Purchase (“Terms”), the Motherson’s Global Supplier Manual, the Motherson Supplier Code of Conduct, and all documents incorporated into each of them and as they may be amended from time to time (collectively “Contract”). The Terms are accessible at [enter link <https://www.smp-automotive.com/en/suppliers>]. Furthermore, any other requirements that may be requested by Motherson from time to time shall apply.

1.2 In the event of any conflict between any document forming part of the Contract, such documents shall control and take precedence in the following order:

- (1) purchase order and any related or assimilated documents (e.g. delivery schedules or releases, scheduling agreements, sourcing nomination letters, tooling agreements be for each relevant affiliate of Motherson);
- (2) the Terms;
- (3) this Agreement;
- (4) Motherson Supplier Code of Conduct; and
- (5) any other incorporated document with the earlier incorporation date controlling.

1.3 Supplier acknowledges it has received and agrees with each of the documents and requirements set forth in this clause and each has been made available to Supplier for review and validation prior to the signature of this Agreement. This Contract shall be applicable to all future business between the parties related to the Products identified in Section 2.1 of this Agreement. Supplier’s terms and conditions are hereby rejected and excluded from the Contract. Any additions or modifications proposed by Supplier

are expressly rejected by Motherson and are not part of the Contract in the absence of an agreement in writing signed by an authorized representative of Motherson.

2. Nomination and Description of [Program, Products]

2.1 Motherson hereby nominates Supplier to design, develop, test and supply the following Products:

[Describe Parts, tooling, or Program, lifetime – if it is needed, please describe in detail the relevant information in additional Appendixes]

Supplier shall manufacture and supply the Products including all necessary services in amounts and on delivery schedules to be set forth on one or more purchase orders, scheduling agreements, or delivery releases issued to Supplier. The Supplier acknowledges that the forecast volumes set forth in the above table/ this clause are non-binding estimates for preliminary planning purposes only. The actual ordered quantities are based on the needs of Motherson's customers and include possible fluctuations of 30 % or more. Minimum order quantities are not agreed.

The Supplier confirms, that the Supplier has and will maintain sufficient capacity to ensure deliveries of the estimated Product quantities and any Purchase Order as such capacity needs may be updated by Motherson.

2.2. The Supplier shall be responsible for acquiring the raw products, auxiliary products, and operational supplies required for production, as well as the human, administrative, economic, and all other resources necessary for the design, development, testing and delivery of the Products. Supplier's potential costs are considered paid in full with Company's payment of the price of the Products. The price of the Products represents the entire compensation for any and all intellectual property rights transferred by Supplier to Motherson in relation to the Products.

2.3 In the event Supplier becomes aware of or anticipates a change of the location of Supplier's production facility or facilities following the Effective Date, Supplier shall notify Motherson in writing no less than sixty (60) days in advance and obtain Motherson's written consent prior to making any such change. If a change of location is carried out without the consent of Motherson, in this case Supplier will bear all costs and damages resulting from this and Motherson shall have the right to terminate the Contract without further notice and that, in addition to all other rights and remedies

2.4 Supplier shall ensure that the following technical and technological capacities are available at the specified times:

[machine capacities; weekly labor capacity; working days/yr; shifts/week +/-%; etc.]

2.5 Supplier's obligation to manufacture and deliver spare parts and after-sales service parts for the Products that constitute the subject matter of this Agreement, and the prices thereof, is detailed in the Terms and set forth on the applicable purchase orders and any related or assimilated documents (e.g. delivery schedules or releases,

scheduling agreements, sourcing nomination letters, tooling agreements as the case may be the case for each relevant Company).

Supplier is obliged to manufacture and deliver spare parts and after-sales service parts for the components during the period from SOP to EOP and for a period of 15 years after EOP unless otherwise agreed in a separate agreement. For a minimum of 3 years following End of Production, the spare part price shall be equal to the series price.

2.6 Supplier shall comply with the following obligations:

- Supplier's obligation to cooperate actively with Motherson regarding the implementation of a project/program organization.
- Supplier's obligation to prepare the required documentation [along with 2-weekly photo-documentation regarding production status and progress report from Tools = direct manufacturing means] and supply the same to Motherson [particularly on process FMEA and control plans, master timing plan, purchased part/component status report, Tool-Process Schedule, APQP → start with nomination at the latest, Maturity Level acc. VDA – if required....].
- Supplier's obligation to ensure and consents to a consistent plan of its preventive and safety measures during project implementation and for serial production in accordance with ISO 9001 / IATF 16949: 2016 / APQP [Advanced Product Quality Planning] or VDA [German Association of Automotive Industry] product development & maturity development. This quality plan [with actions, responsibilities, and deadlines] must be integrated into the project plan. Supplier's obligation to ensure the milestones-schedule-tracking and controlling on-site at the tool-maker (“Tool-Tracker”). It is expressly held that the mentioned tool/investment prices are firm, fixed prices and not subject to adjustments of any kind whatsoever [e.g. based on actual volumes] and also includes the cost-free amount of sample parts.
- Supplier's obligation to ensure that GPS-Tracking System is put in place to detect the delivery / transportation / transfer of the tool and any potential delays (e.g. blockage in customs). Supplier shall bear all the costs incurred by delays.

2.7 If Supplier utilizes any sub-suppliers, it shall ensure that such sub-suppliers are also bound by terms and conditions corresponding to those of this Agreement.

2.8 The expenses for the preparation of bank guarantees, if applicable, shall be borne solely by the Supplier.

2.9 The Supplier warrants that the Products shall satisfy the requirements of Motherson as to quality of the design, function and performance, corresponding to the latest state of the art technology and the intended purpose, the use of impeccable material, completeness, and compliance with all other required properties for a period of at least [1.000.000] shots [OK-cycles] starting from the final acceptance by Motherson.

- 2.10 Tooling utilized in the production of the Products shall satisfy the required quality and function in an economical and technical manner and must be fit to cover the series or spare parts requirements given to the Supplier. Supplier is solely responsible for the necessary maintenance or replacement of tools and inserts. Supplier shall inform Motherson in case the tool capacity is not sufficient to fulfill project lifetime volumes (especially in the event of volume increases).
- 2.11 Without limiting Motherson rights set forth in the Terms, Motherson shall have no obligation to issue a purchase order to Supplier and/or purchase the Products from Supplier in the event that any of below situations shall occur:
- a) Supplier fails to meet Motherson's requirements for price, quality or delivery levels as set forth in the Contract;
 - b) Supplier does not maintain acceptable commercial, technical, quality and delivery levels as requested by Motherson;
 - c) Supplier is unable to continue with design and development of the Products or carry out any of its responsibilities set forth in the Contract;
 - d) Supplier is unable to meet any of Motherson's Products form, fit or functional requirements;
 - e) Motherson's customer does not award the program to Motherson or makes a change in a program (e.g. put on hold) or subsystem/end item/component direction;
 - f) Motherson, in its sole discretion, makes a change in a program or subsystem/end item/component direction;
 - g) All commercial terms and conditions cannot be mutually agreed prior to Motherson issuing a production purchase order to Supplier.

In the event of any of the foregoing, Supplier will absorb its own costs of any and all work for the corresponding Products or programs.

- 2.12 Supplier and each of its subsidiaries and affiliates that supply Products pursuant to the Contract shall be jointly and severally liable for all direct and indirect costs and damages incurred by Motherson or any of its subsidiaries or affiliates resulting from any Supplier's failure to comply with the obligations set forth in the Contract.

Supplier shall be liable for any acts or omissions committed by any of its subsidiaries or affiliates to the same extent as for its own acts and omissions.

3. Dates / Delivery

3.1 [Describe the deadline and delivery e.g. DAP (latest Incoterm), place of delivery – if it is needed, please describe in detail the relevant information in additional Appendixes]

Process	Variant	Date [DD – MM -YYYY]
First parts out of serial tool at Motherson	[please enter variant]	[DD – MM -YYYY]
First parts out of home line production (serial tool at Supplier)		[DD – MM -YYYY]
PPAP due date grade 3 [YELLOW] to Motherson		[DD – MM -YYYY]
Production test run / 2-days production [R@R]		[DD – MM -YYYY]
PPAP grade 1 [GREEN] to Motherson		[DD – MM -YYYY]
SOP		[DD – MM -YYYY]

3.2 Supplier agrees, that Program and Product details may change prior to SOP and Supplier agrees that the Supplier is obliged to work with Motherson and Motherson’s customers to meet all Motherson, customer, Product and Program requirements, as they may be modified after the date hereof. Accordingly, this nomination is subject to (a) any changes to the Products, Programs and terms hereof required by Motherson and/or its customer(s), (b) Motherson’s and/or its customer’s decision to proceed with the Products and Programs, (c) the receipt of satisfactory testing results as well as all necessary approvals from Motherson and its customers.

4. Payment Terms

4.1 Payment terms Investment:
100% PPAP grade 1 (green)

60 days (unless otherwise agreed on a case-by-case basis)

Payment terms Products:
60 days net

4.2 Condition for payment [Minimum requirements]

- Presence of unconditional acceptance of the order [authorized countersignature of a copy of the objective Nomination Agreement]
- Presence of the duly signed requirement specifications
- Transfer of ownership of the tool from Supplier to Motherson
- Part submission warranties (PSW)

4.3 Payments do not signify recognition of the correctness of the deliveries and services, and therefore no waiver of Motherson’s rightful claims for deficiencies due to warranty, due dates or compensation for damages.

Invoices are to be sent as single copies to Motherson and are to be fully completed in accordance with legal provisions [invoice features according to the applicable VAT rules].

- 4.4 All services to be provided by the Supplier as well as the associated costs are covered by the prices listed above or detailed in Appendix [XX]. The Products have not been released for regular production. Until purchase orders are issued, any costs or expenses incurred by the Supplier shall be at Supplier's sole risk and Supplier will not seek any compensation or reimbursement from Motherson.

5. Prices and Savings

- 5.1 Maximum part prices at SOP are set out in the table in item above. For this project Supplier grants Motherson XX separate annual price reductions on the Products of XX% each, starting with the first reduction effective on the DD/MM/YYYY following SOP. The subsequent XX% reductions will be effective for Products invoiced or delivered on or after each subsequent 1st of January.
- 5.2 All expenses necessary to achieve the specification on which this Agreement is based are covered by the above listed parts and tool prices. Supplier will ensure that the Products are able to successfully compete against other alternatives in an objective comparison in terms of technical requirements, delivery quality, supplier reliability and price from SOP to EOP. Supplier agrees furthermore to do everything possible to further reduce the purchase price and to remain competitive also in terms of quality, e.g. by use of VA/VE techniques.
- 5.3 At any time during term of the Contract, Motherson shall have the right to seek quotes from and order the same or similar products from any other supplier in Motherson's sole discretion.

6. Term and Termination

The term of the Contract shall be as set forth on each applicable purchase order or any incorporated documents. Termination provisions are set forth in the Terms. This term may be extended unilaterally by Motherson for a maximum period of three (3) years by Motherson giving pertinent notice to Supplier prior to lapse of the initial term. Any such notice of Motherson shall contain the period of time, up to three years, Motherson wishes the term of this Agreement to be extended ("Extended Term").

7. Ancillary Incorporated Documents

- 7.1 The documents and requirements listed in Appendix 3, attached hereto, are hereby incorporated into this Agreement as if fully set forth herein.
- 7.2 Supplier acknowledges it has received and agrees with each of the documents and requirements set forth in Appendix 3 and each has been made available to Supplier for review and validation prior to the signature of this Agreement.

8. Miscellaneous

- 8.1 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties, whether written or oral, relating to the same subject matter. No modification, amendments or supplements to this Agreement shall be effective for any purpose unless in writing and signed by each party.
- 8.2 Supplier shall not assign this Agreement nor any of the rights, interests or obligations under this Agreement, in whole or in part, by operation of law or otherwise, without the prior written consent of Company.
- 8.3 The waiver by either party of a breach, default, or right in any of the provisions of this Agreement by the other party shall not be construed as a waiver of any succeeding breach, default, or right of the same or other provisions.
- 8.4 If any one or more of the provisions of this Agreement is held invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement will not be affected thereby.
- 8.5 This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which taken together shall constitute one and the same instrument. A facsimile signature shall be deemed an original for purposes of evidencing execution of this Agreement.
- 8.6 The headings and captions contained in this Agreement are for reference purposes only and are not intended to affect the meaning or interpretation of this Agreement.

Appendix 1 – List of Motherson participating companies

Appendix 2 – List of Supplier participating companies

Appendix 3 - Ancillary Incorporated Documents

[Signature page follows.]



In Witness Whereof, the Parties have executed this Agreement below on the Effective Date.

BUYER:

[ENTER THE MOTHERSON
CORPORATE ENTITY]

By: _____

Name: [please enter name]

Title: [please enter title]

By: _____

Name: [please enter name]

Title: [please enter title]

SUPPLIER:

[ENTER SUPPLIER CORPORATE
ENTITY]

By: _____

Name: [please enter name]

Title: [please enter title]

By: _____

Name: [please enter name]

Title: [please enter title]



Appendix 1 – List of participating Companies of Motherison

Name:	Not applicable / [please enter full legal name of the entity]
Address:	[please enter address]

Name:	Not applicable / [please enter full legal name of the entity]
Address:	[please enter address]

Appendix 2 – List of participating companies of the Supplier

Name:	Not applicable / [please enter full legal name of the entity]
Address:	[please enter address]

Name:	Not applicable / [please enter full legal name of the entity]
Address:	[please enter address]



Appendix 3 – Ancillary Incorporated Documents

Americas Motherson Automotive Terms and Conditions of Purchase

Motherson’s Global Supplier Manual

Motherson Supplier Code of Conduct

Motherson Purchasing Sustainability Guidance

Non-Disclosure Agreement (effective as of XX/Month/2023)

[Price list]

[Quality requirements/documentation]

[Logistics requirements/documentation]

[Warranty Products/Program Targets]

[Tooling requirements/documentation]

[Other Documents]

[Other Documents]

[Other Documents]

[Other Documents]

[Other Documents]

[Other Documents]