MANUFACTURING AND SUPPLY AGREEMENT

Advik Hi-Tech Pvt Ltd

AND

("**Supplier**")

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SUPPLIER AGREEMENT

This **SUPPLIER AGREEMENT** (this "**Agreement**") is entered into at _____ on this ___ day of **_____,** 2021**("Effective Date")**.

BY AND BETWEEN

M/S ADVIK HI-TECH PVT. LTD., a company incorporated under the Companies Act, 1956 and having its registered office at Gat 357, Plot 99A , Kharabwadi , Chakan Talegaon Road , Chakan , Pune 410501, India, including its Affiliates, represented by its authorized signatory Mr. Ajayveer Singh, Age: 42 yrs., Occ. General Manager Supply change r/o Pune. (Hereinafter referred to as "**Advik**", which expression shall, unless repugnant to the meaning or context thereof shall be deemed to mean and include its administrators, executors and assigns);

...PARTY OF THE FIRST PART

AND

M/s _____, a private/public limited Company incorporated under the provisions of the Companies Act 1956 and having its Registered office at _____, India, represented by its authorized signatory Mr._____, Age: ___ yrs., Occ. _____ r/o_____. (Hereinafter called to as **"Supplier",** which expression shall, unless repugnant to the meaning or context thereof shall be deemed to mean and include its administrators, executors and assigns);

...PARTY OF THE SECOND PART

Advik and the Supplier are collectively referred to as "**the Parties**" and individually as **"the Party**".

WHEREAS:

1. Advik carries on the business of importing, exporting, manufacturing, assembling, marketing and selling of motorcycles, motorcycles parts and accessories to Indian and overseas market. Advik is in need of a supplier who can manufacture and supply various Components (as defined below) as per Advik's drawing numbers and other Specifications (as defined below), required by Advik for further manufacturing and assembling of the Products (as defined below).

2. The Supplier carries on the business of manufacturing, assembling and selling of the components in India.

3. The Supplier got the knowledge that Advik is in search of a supplier who can manufacture and supply Components for Advik, including its Affiliates. The Supplier approached Advik with a proposal to manufacture and supply the Components for Advik and its Affiliates (as defined below), in accordance with the Specifications and in accordance with the terms of this Agreement.

4. Advik is willing and desirous to procure the Components from the Supplier and has accepted the proposal of Supplier.

5. Further, in order to manufacture and supply Components for Advik under this Agreement, the Supplier is required to purchase/procure Tools (as defined below) from Advik, for which the Parties have entered into a separate Tooling Agreement dated _/___/__ ("**Tooling Agreement**") which shall govern their relationship with respect to procurement/purchase of the Tools by the Supplier. The Tooling Agreement shall be read as part and parcel of this Agreement.

6. The Parties therefore have entered into this Agreement on the terms and conditions set forth hereinafter.

NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING AND THE MUTUAL COVENANTS AND AGREEMENTS CONTAINED HEREIN, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

a. DEFINITIONS

In this Agreement unless the subject or context otherwise requires, the following words and expressions shall have the following meanings set forth herein. All words defined under the definition clause of this Agreement will have the same definition in every other part of this Agreement.

i. "**Affiliates**" means in relation to a Party: (a) any subsidiary, holding or parent entity of a Party; or (b) any entity or person owns more than fifty percent (50%) of the outstanding voting securities or equity interests of such Party; and (c) any entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Party (for the foregoing purposes, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Party, whether through the ownership of voting securities or other interests, by contract or otherwise).

ii. "**Agreement**" shall mean this Agreement and shall include all the attachments, annexure, schedules, if any, attached hereto as well as any reference documents mentioned in this Agreement. Any alterations, additions or deletions thereto made in writing upon mutual consent of the Parties hereafter on the execution of this Agreement shall be an integral part of this Agreement.

iii. "**Competitor"** in relation to Advik means any individual, company, partnership firm, society, association of persons, joint venture etc. which is in the same and/or similar business of manufacturing and selling same and/or similar Products as manufactured by Advik by using various Components.

iv. "**Components**" shall mean such components to be manufactured and supplied by Supplier to Advik as detailed in '**Annexure I**' annexed to this Agreement or as identified in any Purchase Order issued by Advik to Supplier from time to time.

v. **"Confidential Information"** shall mean all information disclosed (whether in writing or otherwise) by Advik or its Affiliates to the Supplier concerning its business or affairs, including but not limited to information relating to its operations, processes, plans, Product and Component information, know-how, designs, software, market opportunities, forecasts, testing methods, terms of any agreement, past/present/prospective customers, its parents, subsidiaries or other related companies and any other information and/or trade secrets that are customarily treated as confidential, whether or not specifically identified as confidential or proprietary;

vi. **"Design Defect**" shall mean the defects and imperfections in the Components not conforming to all the applicable Specifications and un-merchantable or unfit for the particular purpose for which the Components were intended to be used by Advik.

vii. "**Effective Date**" shall mean the date of execution of this Agreement;

viii. "**Force Majeure Event**" shall mean unforeseen, insurmountable and unavoidable events arising after the Effective Date of this Agreement, including earthquake, typhoon, flood, or other acts of nature, fire, explosion, hostilities, revolution, acts of civil or military authority, riots, war or any act, proclamation, regulation, action, inaction or ordinance of any government or governmental agency, having, or claiming to have, jurisdiction over the Parties or other unforeseen events beyond the Parties reasonable control which prevents total performance by a Party of its obligations under this Agreement;

ix. "**Injuries**" shall have the meaning given to it in Clause 8(d);

x. "**Manufacturing Defect**" shall mean and include Design Defect as well as such patent and/or latent defects and damages which renders it incapable of use (whether wholly or partially) during the Supplier's warranty period.

xi. "**Non-current Components**" shall have the meaning given to it in Clause 9(b);

xii. "**Products**" shall mean the products which will be manufactured and/or assembled by Advik by using the Components manufactured and supplied by Supplier as per the terms of this agreement.

xiii. "**Purchase Order(s)**" shall mean each written purchase order, (including any blanket purchase order and any amendment thereto or purchase order version) issued by Advik to the Supplier and accepted by the Supplier after the Effective Date of this Agreement.

xiv. "Raw Materials" shall mean and include materials, parts, sub-parts, tools, etc. required for manufacturing the Components.

xv. "Release" shall mean each "purchase order release" issued by Advik to Supplier pursuant to a Purchase Order;

xvi. "**Specifications**" shall mean (a) all written specifications, drawings and requirements for the Components (including any special packaging requirements and any accompanying instruction sheets) notified by Advik and accepted by Supplier, and (b) if a specified requirement consists of a sample because written Component specifications, drawings and requirements do not exist for that requirement (such as some cosmetic requirements), the latest sample approved in writing by Advik. All Specifications will be

considered to require that each Component must be new when delivered to Advik, unless the applicable Specifications expressly permit the delivery of used, reconditioned or remanufactured Component.

xvii. "**Tools**" shall mean such raw materials as may be required by the Supplier for manufacturing the Components for which the Supplier and Advik has mutually determine the procurement/ manufacturing terms by way of a separate Tooling Agreement executed between the Parties.

b. **INTERPRETATION**

i. The headings are for convenience only and shall not affect the interpretation hereof;
ii. Unless the context otherwise requires the singular shall include the plural and vice versa and reference to persons shall include bodies corporate and unincorporated associations, partnerships and individuals;
iii. The Annexure/s attached hereto forms part of this agreement.
iv. Use of the term "include", "including" and all similar expressions shall be construed without limitation.

2. PURCHASE ORDERS AND RELEASES

a. Advik shall have the right to extend the rights and obligations granted in this Agreement to one or more of its Affiliates. Each of Advik's Affiliates shall be entitled to all of the rights and interests of Advik under this Agreement and will be able to enforce this Agreement in their own name provided that they have expressly agreed to the terms herein in a Purchase Order or other written instrument signed by such Affiliate and Supplier. The obligations of each Affiliate of Advik will be the obligations of such Affiliate alone, and not of Advik or any other Affiliate. Neither Advik nor any of its Affiliates will be jointly and/or severally liable with, or for the acts or omissions of another Advik Affiliate. In the event that any such Affiliate ceases to be an Affiliate, it shall retain the benefit of this Agreement in connection with any existing Purchase Order.

b. This Agreement does not by itself constitute a Purchase Order or an obligation of Advik to purchase the Components from the Supplier. Based on the actual requirements of Advik's production plan, Advik shall issue respective Purchase Order to the Supplier from time to time.
c. Each Purchase Order shall specify the following particulars:

i. Advik's purchase order number released on Supplier;
ii. Adequate description and specification of the Components being ordered (for example, an Advik part number);
iii. Price to be paid for the Components ordered;

iv. Component quantity and time of delivery (including delivery schedules, if any);

Place or places of delivery;

Special packaging requirements; and

Shipping requirements.

d. Each Purchase Order may also specify the minimum acceptable quality level in terms of Defects per million units (ppm). The Supplier hereby agrees and undertakes to confirm to all the particulars set out in the Purchase Order, including the minimum acceptable quality level.

e. A Purchase Order (or an amendment thereto) will be deemed to have been accepted by the Supplier if (a) it is signed by the Supplier; or (b) if Advik does not receive written notice of non-acceptance within 15 days from the date of issue of the Purchase Order to the Supplier. In case of an amendment to a Purchase Order, such amendment will be considered to have been accepted by the Supplier, unless the Supplier provides a written notice of its non-acceptance to Advik within 10 days of the Supplier's receipt of such an amendment to a Purchase Order. It is mutually agreed by the Parties that Advik shall not be bound by any form of acknowledgement of receipt that the Supplier issues, including any general conditions of sale that may be stipulated on the reverse of any letters, invoices and documents whatsoever issued by the Supplier that are in contradiction to this Agreement or the Purchase Order/s. Any such condition specified by the Supplier in contradiction to this Agreement or the Purchase Order/s shall be deemed to be null and void.

f. Forecasts.

i. Forecasts for Components requiring imported raw materials:

- Advik, or any of its Affiliates may provide written forecasts to the Supplier, in relation to its requirements of the Components, from time to time.
- The forecasts will contain a description of the actual quantity of Components required and the delivery schedule for such Components. These forecasts will list the quantity of Components Advik shall purchase, and Supplier shall be obligated to deliver, during the next 30 days and a revised projection of future purchase and delivery requirements, subject to adjustment by Advik as below:

Period	**Permissible Advik Quantity Adjustment (+/-)**
1-30 days	10%
31-60 days	15%
61-90 days	25%
Beyond 90 days	Only budgetary numbers

- Advik shall provide rolling forecast for 6 (six) months out of which 2 (two) months shall be firm whereas 4 (four) month shall be tentative. Supplier shall make necessary arrangement to cover +/-10% volume variance. Any variance higher will be mutually discussed and agreed upon.
- Forecasts for Components that do not require imported raw materials:
  Advik will provide schedules for 30 days firm and 30 days tentative as standard practice or as per requirement of Advik. Wherever lead time for procurement of raw material is higher, schedules may change to 1 month firm and 2 months tentative.
  In case of returnable bins, Supplier and Advik will arrive at mutually agreeable quantities of returnable bins. Advik shall not use Supplier's bins for internal usage and return the bins once the Components are delivered.
  In case of shortage of bins, alternate method of containerization shall be decided between Advik and Supplier. Any default on account of bins shall be penalized to Supplier.

g. Release:

i. The Supplier shall ship Components to Advik under a Purchase Order only after Supplier receives a Release. Release will be written, may be in the form of Advik's delivery schedule, mail or minutes or meeting signed between the Parties. Release will include:

- Advik's part number and/or Components description;
- Quantity and, if the Purchase Order is not specific, the time and place of delivery.

3. PACKAGING, SHIPPING, DELIVERY, ACCEPTANCE AND PAYMENT

a. Packaging and Shipping. Supplier shall at the time of initial sample provide its packaging standards to Advik and shall comply with the same during the period of this Agreement subject to modifications informed by Advik from time to time and ship the same as per shipping guidelines described in packaging standard for the parts, which will be mutually agreed upon and documented in quality agreement /PPAP submitted by Supplier.

b. Delivery. The Parties shall mutually decide the delivery date of the Components and Supplier will deliver the Components to Advik at the time or times and to the place or places specified in the Purchase Order (or any amended Purchase Order) and/or Release, as applicable. Supplier shall deliver the components as per agreed terms mentioned in Purchase Order at the place or places of delivery specified by Advik on mutually agreed terms.

c. Inspection: Advik shall have the right to inspect all the Components delivered to it by the Supplier and acceptance of any delivery shall be subject to satisfactory inspection by Advik. However, any initial visual inspection by Advik will be without prejudice to

Advik's right to return defective/deficient Components post inspection and any other right that it may have under this Agreement or law.

d. Non-Conforming Components: Advik shall have the right to refuse the Components delivered that, after inspection, do not conform to all applicable Specifications of Advik, in which case the Components shall not be considered to have been delivered by the Supplier. Advik and Supplier will establish procedures for the containment, accumulation, sorting and return of non-conforming Components. The Supplier shall pay the round trip shipping costs for non-conforming Components not accepted and returned by Advik and promptly (and in any event within the timelines specified by Advik for that purpose), deliver replacement Components to Advik by Air at its cost. If Supplier does not deliver replacement Components to Advik within specified timelines, then Advik, may, at its option: (i) take delivery of the non-conforming Components, correct the non-conformity and charge Supplier for expenses incurred by Advik in making the correction; or (ii) procure replacement Components from a third party supplier at the Supplier's cost.

e. Acceptance:

i. A Component will be considered accepted by Advik on the first of the following to occur:
   - Products into which the Components supplied by the Supplier is incorporated passes final inspection by Advik;
   - Component is resold by Advik; or
   - Component is not incorporated into a Product or resold by Advik but is otherwise used by Advik for its intended purpose.

j. Title and Risk. Title and risk to the Components shall pass to Advik in accordance with FCA (Free Carrier) terms as per Incoterms 2010, unless otherwise specified in the Purchase Order.

k. Payment.

i. Advik will make the payment for each lot of consignment of Components to be supplied by Supplier, before 30th of following month commencing from the date of receipt of the Invoice or delivery of each lot of consignment, whichever is later. Advik shall have the right to get the invoice amount discounted by offering to make early payment to Supplier, as per mutually agreed terms. In case Advik makes the payment for the Components before inspection of the same and thereafter it is found that the Components are not in conformity with the issued Purchase Order and/or Specifications provided by Advik, the Supplier shall be under an obligation to repay the entire amount with interest to Advik within seven (7) days from the date of non-conformation found by Advik.

ii. Unless the Parties agree in writing to other terms, all packaging, crating and shipping charges and costs (including insurance, duties, transfer taxes and inspection fees) from Supplier's dock to the place or places of delivery are included in the purchase price for

Components as stipulated in the Purchase Order. At Advik's request, Supplier will itemize all of these costs in its invoice.

iii. Payment for any Components will not constitute its acceptance by Advik. It is clarified that the Components will be considered accepted by Advik on the occurrence of first of the conditions established in Clause 3.5 above.

iv. The Parties mutually agree that Supplier shall raise the invoice for the Components supplied within 7 days from the date of delivery of the Components to Advik. Further, the Parties also agree that Advik shall not be liable for any delay in payment due to delay and/or default in handing over the invoice by Supplier to Advik.

4. CUSTOMS DRAWBACK DOCUMENTS AND EXPORT CONTROLS

a. Supplier agrees to fulfill any customs' related obligations, including properly declaring the value of the Components and complying with the appropriate origin or labeling requirements. Upon request, Supplier shall promptly furnish to Advik all documents and other information required for customs drawback purposes, properly completed in accordance with applicable governmental regulations. Unless otherwise expressly stated in the Purchase Order, all customs drawback shall be reserved and retained for, or credited to, Advik.

b. Export licenses or authorizations necessary for the export of the Components shall be the responsibility of Supplier unless otherwise expressly stated in the Purchase Order, in which case Supplier shall provide such information as may be necessary to enable Advik to obtain such licenses or authorizations. Supplier shall undertake such arrangements as necessary for the Components to be covered by any duty deferral or free trade zone programs of the country of import.

c. To the extent that any Components covered by the Purchase Order are to be imported into India, Supplier shall, as per requirement under applicable laws, or upon Advik's request, comply with all applicable laws, recommendations or requirements including but not limited to Foreign Trade (Development and Regulation) Act, 1992, the Prevention and Suppression of Terrorism (Implementation of Security Council Resolutions) Order, 2009 , the Unlawful Activities Prevention Act, 1967 or any foreign trade policy in force in India at the time this Agreement or any Purchase Order hereunder is in effect.

d. The Supplier shall, and cause all of its subsidiaries, affiliates, or sub-contractors to comply with the applicable laws and trade policy and adhere to all sanctions, anti-money laundering and anti-corruption policies imposed by the Government of India on such countries as specified.

e. The Supplier shall obtain and maintain any and all such requisite licenses or permissions from the Director General of Foreign Trade or any other concerned authority as required. Upon request, Supplier shall certify in writing its compliance with the foregoing.

f. The Supplier warrants that none of its activities is in violation of any of the applicable laws, sanctions programs, laws, rules, and regulations of any country. Furthermore, neither the Supplier nor any of its affiliates (a) is or will become a sanctioned person under any country's laws; or (c) engages or shall engage in any dealings or transactions, or be otherwise associated, with any such sanctioned person in violation of the trade, terrorism, anti-corruption, and anti-money-laundering as listed on that country's sanctions list.

g. Supplier shall indemnify and hold Advik harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind (including legal and other professional fees) arising from or relating to Supplier's non-compliance with the foregoing.

5. CERTIFICATES OF ORIGIN

a. Upon request, Supplier shall promptly furnish to Advik all certificates of origin or domestic value-added and all other information relating to the costs and places of origin of the gComponents and the materials contained therein or used in the performance thereof, as may be required by Advik to comply fully with all customs, tariffs and other applicable governmental regulations including those customs, tariffs, and regulations that enable Advik to claim preferential duty treatment at the time of entry of the g Components and related tooling and equipment.

b. Supplier shall make all necessary arrangements for said g Components to be eligible for and certified by any applicable duty deferral or free trade program(s) of the country of import. Supplier shall indemnify and hold Advik, its subsidiaries and affiliates, their respective successors, assigns, representatives, employees and agents, and the customer harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind (including fines and penalties) arising from or as a result of: (i) Supplier's delay in furnishing such certificates or other information to Advik; (ii) any errors or omissions contained in such certificates; and (iii) any non-compliance by Supplier with such regulations.

6. PRICE WARRANTIES AND COMPETITIVENESS:

a. Supplier warrants that the prices for the Components are, and shall ensure that such prices remain, not less favorable to Advik than the prices currently extended to any other customer of Supplier for the same or substantially similar Components or services in the same or substantially similar quantities and delivery requirements. If Supplier reduces the prices of such same or substantially similar Components or services during the term of this Agreement Supplier shall reduce the prices of the Components and the services correspondingly.

b. Supplier warrants that the prices in the Purchase Order shall be complete, and no surcharges, premiums or other additional charges of any type shall be added, without Advik's prior written consent. Supplier expressly assumes the risk of any event or cause (whether or not foreseen) affecting such prices, including any foreign exchange rate changes, increases in raw materials costs, inflation, increases in labor and other manufacturing costs.

c. Supplier shall ensure that the Components and the services remain competitive, in terms of price, technology and quality, with substantially similar Components and services available to Advik from other suppliers, including from Advik or Advik's affiliates.

7. LATE DELIVERY

a. Supplier will notify Advik, as soon as possible, whenever Supplier believes that it probably will be unable to deliver Components when required by the applicable Purchase Order and/or Release or whenever any Force Majeure Event occurs. Supplier will explain the reasons for the delay, and expected duration of delivery.

b. If Supplier is expected to be unable to deliver Components when required by the applicable Purchase Order and/or Release, then Advik may, at its sole option:

i. terminate the Purchase Order, in whole or in part;

ii. obtain a reasonable supply of substitute Components from another supplier; and

iii. reduce its order of Components from Supplier by the quantity of substitute components obtained plus the quantity of any lost Advik production or lost orders due to Supplier's delay.

c. Supplier shall pay for all out-of-pocket costs incurred to expedite the procuring, production and/or shipping of the Components and for the costs of any substitute components in excess of the cost of the Components. The Supplier shall be liable for all incremental costs which may arise due to procurement of the Components from alternate/substitute suppliers as well as damages/ losses, if any caused to Advik and/or its clients/ customers, due to inability of Supplier to deliver the components on time.

8. SUPPLIER COMPONENT WARRANTY

a. Advik's retail warranty period shall include Supplier's Component warranty period and shall remain in force so long as Advik retail warranty period to its customers remains valid irrespective of the expiry or termination of this Agreement. Advik's retail warranty period shall commence on the date when the Products are sold by Advik against proper invoice in favour of its clients/ customers. In the event a retail warranty is invoked by a client/ customer of Advik, Advik shall refer it to the Supplier who shall be responsible to replace and/or repair free of cost, all or any manufacturing defect/s (latent or patent) found in the Components/ defective components supplied by the Supplier which are used in the Products by Advik sold to such client/ customer.

b. If requested by Supplier, Advik will return to Supplier at Supplier's expense a representative sample of defective Components in the same condition as when removed from the motorcycle or received from the retail customer. If a defect related to component/ defective component causes damage to the Products during the applicable Supplier warranty period, Supplier will be liable for all resulting retail warranty costs attributable to such damaged Products.

c. Component Recall. If Advik conducts a voluntary or mandatory recall of one or more Components due to any Defect, then it will be the duty of the Supplier to facilitate and assist Advik in the replacement of the Components and the Supplier will be responsible for all actual and ancillary costs involved in the manufacture and Delivery of new Components. The cost shall include new item cost which will replace defective component, other cost such as transportation, labour cost, penalty charged by customer etc. The Supplier will be liable to indemnify Advik for all losses if the Components is recalled due to a defect resulting from non-adherence to the Specifications. The decision and the scope of the recall of any Component will be at the sole discretion of Advik and the Supplier will have no right to challenge any decisions to recall.

d. Component Liability. In the event, any third party claims or sues or threatens to sue Advik on the ground that one or more Products (alone or with other causes) allegedly caused personal injury, death and/or property damage (collectively, "**Injuries**") to them, and the claim can be ascribed to a Defect in the Components, then the Supplier shall indemnify and hold harmless Advik, its directors, officers, employees, customers and agents from and against any such claims. Further, Advik and Supplier will not make cross claims or third party claims against each other without delivering a written Notice to the other Party in advance.

9. CUSTOMER SERVICE AND SERVICE PARTS

a. Advik will require a regular supply of all Components supplied to Advik for ensuring customer service and replacement of such Components. During the period that a Purchase Order for a Component is in effect, Supplier will accept Purchase Orders issued in the ordinary course of business for the Components for use by Advik for its customer service and service parts department. Supplier will provide the Components to Advik's customer service and service parts department at the same price (before any special packaging costs) as provided for in the then current Purchase Order for the Components and, if Supplier offers any volume discount programs, Advik's purchases under all Purchase Orders for the Components during the applicable time period will be aggregated when calculating volume discounts.

b. After the last Purchase Order for a Component terminates, Advik will continue to require quantities of that Component ("**Non-current Components**") for Advik's customer service and service parts department. Before production under the last Purchase Order for a Component terminates, Advik and Supplier will work together in good faith to develop a

long-term plan for ensuring an adequate supply of that Non-current Components at the lowest overall cost to Advik. The Non-current Components price will be determined by mutual agreement of Advik and Supplier based on the most recent original equipment production cost, adjusted for the volume and other validated cost effects of the Component's non-current status. The supplier is liable to supply the Components for 15 years from stop of production of Products which includes such Components. The Parties shall mutually discuss the MOQ and price of the Components.

10. QUALITY, SPECIFICATIONS, COST, TIMING AND TECHNOLOGY MANAGEMENT

a. Quality: Supplier shall make all reasonable commercial efforts to continuously improve the quality of each Component and shall at all times meet or exceed the minimum acceptable quality level defined and communicated by Advik from time to time. Supplier shall deliver to Advik quality verification in the form, and at the times, required by Advik. If either Party becomes aware of a potential Defect in a Component, that Party will promptly deliver written notice of the potential Defect to the other Party and each Party will provide all information and analysis related to the potential Defect reasonably requested by the other Party. Whenever a Defect is confirmed, Supplier will cooperate with Advik to promptly implement appropriate corrective and preventative actions in accordance with this Agreement. Supplier shall always manufacture and supply the Components in accordance with the quality standard/level as will be specified by Advik from time to time and shall withstand all climatic conditions.

b. Specifications: The parts delivered by the Supplier shall conform to drawings or various quality Specifications as approved by Advik. Advik also reserves the right, at any given time to make amendment in the drawings or Specifications by giving proper notice to the Supplier. Such specifications, including but not limited to Advik engineering standard, are as issued by Advik. Such specifications, as are prepared by the Supplier and approved by Advik shall be as determined through mutual documented consultations between Advik and the Supplier;

c. Official industrial standards (IS, DIN, JIS etc.), if any in cases where no specifications have been determined pursuant to (a), (b) or above, as are determined through mutual and documented consultations between Advik and the Supplier; and

d. Such specifications, where manufacturing processes are controlled in conjunction with Manufacturing Quality Standard and/or process control plan (PCP), previously approved by Advik.

e. If the Supplier wishes to make any changes in such specifications, the Supplier must obtain the prior written approval of Advik, in the event of specification changes being agreed by Advik, the Supplier must change all written specifications and PCP & other applicable quality documents (e.g. but not limited to PCP, operation standard, quality assurance matrix etc.) prior to the commencement of volume production to the new specifications level. Supplier

to ensure initial production parts (IPP) tag, which is a prior confirmation according to the specification change order. The Supplier shall be obliged to intimate the same to Advik.

f. Parts specification and conformity of production shall confirm to the applicable Indian standards, automotive industry standards and/or any other international standards, whichever is applicable. Confirmation certificate of such specifications shall be obtained by the Supplier on its own expenses, from any of the Govt. Test agency as notified in CMVR 126.

g. The Supplier shall be liable to meet all Advik requirements in accordance with Drawings, Advik Quality Manual and ISO 9001-2015 / IATF 1649 : 2016 & ISO 14001 requirements as demanded by Advik.

h. The Supplier shall respond quickly to Design changes as informed by Advik and ensure proper management of same. Supplier will extend full co-operation in implementation of such design changes.

i. In order to assure Quality, the Supplier shall be liable to provide all Quality parameters with each supply as per agreed Quality norms, and if required provide other Quality Test Parameters as and when required by Advik.

j. The Supplier shall provide its own Process Control Plan to Advik, wherever demanded specifically by Advik QC, the approval shall be arranged by Purchase Department. In case of any change in PCP at supplier's end the same should be intimated to Advik indicating the reason for change or Advik may ask the supplier to change it if they feel so at any time.

k. The Supplier shall inform ADVIK in advance, in case at any point of time, the Supplier wishes to change any Raw Material, checking fixtures, jigs or tool to meet Advik Quality or Quantity requirement, supplier can change only after return approval from ADVIK.

l. The Supplier shall inform Advik well in advance in case they wish to change either the manufacturing location or the machine/equipment used for manufacturing the parts at the time of initial development and approval. Advik, in such an event shall reserve the right to validate the samples once again, if same is required.

m. Cost: Supplier shall make all reasonable commercial efforts to reduce cost and assist Advik to maintain a competitive cost position by taking advantage of cost saving technologies and other cost reduction opportunities. Supplier will provide Advik with supporting cost information (in the format reasonably requested by Advik) to support initial pricing of new Components or price changes for existing or revised Components. Upon request, Supplier will provide Advik with a pricing breakdown by the Components (where the Components price is included in a system price but is not separately priced) or by Component's component (where the Component is composed of multiple components).

n. Timing. Supplier recognizes that Advik is continuing to move towards more precisely timed Components deliveries than are currently required. Supplier agrees to work with Advik to continuously improve the accuracy of Components delivery schedules. Advik will provide Supplier with its current delivery expectations and delivery schedules for its suppliers generally.

o. Technology. Supplier shall, on a best endeavours basis, continuously research, develop and apply new and/or improved technologies for the Components it supplies to Advik.

p. Treatment of Rejected Parts:

i. If the parts supplied by the Supplier to Advik do not meet Advik Quality Standards, all such parts will be treated as Rejected Parts.

ii. The rejected material shall be lifted from Advik premises within seven days from the date of intimation failing which, the same may be returned back by Advik at Supplier's own risk and cost.

iii. As long as rejected parts are at Advik premises, it shall be entirely at the Supplier's risk after intimation to the Supplier and Advik will have no responsibility of such parts if they are lost or damaged in due course of time.

iv. Reuse of rejected parts or selling it through any other agency is prohibited.

11. QUALITY ASSURANCE:

a. The Supplier shall endeavor to ensure zero defects in the parts manufactured and/or delivered to Advik, and shall assure high quality thereof. The Supplier shall establish and maintain a quality assurance/ quality management system in accordance with Advik's Supplier Quality Manual (ASQM). Supplier to upgrade & strengthen quality assurance / Quality Management System time to time as per additional Advik specific requirement, but not limited to ASQM.

b. Advik shall conduct inspection of the parts, delivered by the Supplier in accordance with established part inspection criteria.

c. Supplier shall prepare a Process Control Plan, in the form indicated in the Advik's Supplier Quality Manual, FMEA, Quality Assurance Matrix, Operation Standards (referred as Quality documents), in line with Advik Supplier Quality Manual. Should any event take place that requires a change or a modification in the matters described in the PCP, the Supplier shall obtain approval for such amendments from Advik. In addition, if Advik advises the Supplier to change the matters described in the PCP in order to improve the quality of the parts after the Supplier has commenced mass production, the Supplier shall use its reasonable endeavor to implement such improvement.

d. Change point control through Initial Production Parts (IPP): If the Supplier contemplates any changes in Supplier's Sub-Supplier, Material changes, Change in process conditions or Methods process sequence change, Change in production method or process, machine change, Die/Jig/Tool change, change in delivery method, change in location, change in packaging, change in the name/brand of the Supplier or any other matters then the Supplier shall give prior notice to Advik and obtain Advik's prior written approval with respect to such changes. When the Supplier makes delivery of such parts, the first lot of parts (sample and mass production) delivery shall be clearly identified by attaching Advik's Initial Production Parts (IPP) tag.

e. The Supplier shall ensure that Advik personnel have access at all reasonable time, after prior notice and consent, to their premises to examine the Quality Assurance/ Quality Management System and function at those premises.
f. The Supplier shall maintain the complete records of entire production and quality control activities, including exact extent of in-house rejections, and show or send details to Advik as and when required by Advik.
g. The Supplier shall maintain a batch code and identification system and it shall be provided on each part, wherever applicable, as decided by Advik.
h. The Supplier shall maintain a mutually agreed system of traceability and lost control in order to identify the root causes and range of nonconformity found in products during the production stage or after shipment.
i. The Supplier shall immediately take countermeasure whenever a quality problem is reported. In such an event, Supplier shall extend the full co-operation to analyze the root cause of the problem and submit a detailed action plan, in an earliest possible lead time (mutually agreed) without affecting Advik production.
j. The Supplier shall use only Advik approved raw material grades/sources for manufacturing of parts as per specifications. In case found any authorized use of unapproved raw material grade/source, Advik has the right to investigate the matter and levy suitable penalty on the Supplier.
k. Reports with samples and supplies : Supplier shall provide comprehensive dimensional, material , performance and specification test reports along with the sample lots, and mass production lots of parts (hereinafter referred to as "Lots") as required by Advik. The Supplier shall also provide drawings, process quality control standard, PPAP, Development/Mass Production Plan and Sub-Supplier list of child parts, as required by Advik. Supplier to ensure quality characteristics of parts with every lot being supplied to Advik, as per part inspection criteria provided by Advik.
l. Audit: Representatives of Advik and/or other designated persons shall be afforded the right to audit (QAV) the factory and premises of the Supplier with prior information & mutual consent to assess and monitor the progress of its parts production, to see and analyze current and required process for specific parts, to see and analyze implementation of quality assurance/ quality management system, and give such advice as they may consider appropriate to achieve the objectives of this agreement. Such advice, if given, shall be followed and after mutual agreement the Supplier shall take necessary steps pursuant thereto and shall monitor its effectiveness on regular basis.
m. No flow of rejected parts: The Supplier will ensure that defective/deficient part shall not be returned/re-supplied to Advik either as OE supply or as spares supply.
n. If parts received from the Supplier are not found acceptable, but due to their urgent requirement at Advik, they need to be segregated/ rectified at Advik, then the segregation/rectification shall be done by the Supplier at its own efforts and expenses.

o. If parts supplied by the Supplier give any quality problem on Advik's assembly line, and need to be replace/repaired, it shall be the Supplier's responsibility to co-operate in such activity and immediately respond to Advik's request. The Supplier's personnel shall be involved in such segregation/repair/replacement.

p. Document Retention: All Q documents like drawing, PPAP, Reports, Change point, Other agreements, PO's and other important documents to be retention period should be 15 years.

q. Appointment of Sub-Supplier: The Supplier shall submit the list of sub-supplier/s which it intends to appoint for the purpose of this Agreement, to Advik for obtaining prior written approval of Advik. Advik shall have a right to reject any sub-supplier with or without cause, in its sole discretion. In the event Supplier makes any change in its list of sub-supplier/s at any point of time, then Supplier shall intimate such change in writing to Advik and shall obtain prior written approval from Advik for such change in the list of sub-supplier/s. Further, if the Supplier delivers any Part to Advik from its sub-supplier/s then each Part (i.e. the first lot of sample and/or mass production) shall be clearly identified by affixing Advik's IPP tag, as per the requirement of Advik. In case it is found that any part or other item is obtained by any unapproved sub-supplier, then Advik shall have a right to inspect and investigate the matter at the cost of Supplier and the Supplier shall also be liable to indemnify Advik for all losses towards any customer complaint arising due to warranty, recall, or any other matters.

12. RISK PURCHASE

If the Supplier fails to deliver the Products or the Components ,either in full or in part, within the prescribed time period, Advik, or its Affiliates shall, at its sole discretion, (a) be entitled to take alternate procurement action at the risk and cost of the Supplier for the unsupplied portion of the Products or the Components without termination of the Agreement in respect of the Products or the Components not yet due to be delivered; or (b) to terminate the Agreement based on the progress of work, including Products or the Components not due for delivery; and, if thought fit/necessary, to purchase the Products or the Components at the risk and cost of the Supplier. The price difference, if any, w.r.t the Products or the Components so procured via risk and expense, shall be entirely borne by the Supplier.

13. INSURANCE

a. During the term of this Agreement and for a period of 5 years thereafter, Supplier shall maintain or cause to be maintained, at its sole cost and expense, all necessary insurance policies with reputable insurance companies including but not limited to:

i. Standard Fire and Perils Policy or IAR Policy;

ii. Marine Insurance ;

iii. Product Liability and

iv. Standard and Statutorily required insurance policies

b. Supplier should have a Product Liability policy from reputed insurer that should cover any casualty (damage and bodily injury) from the products supplied to either ADVIK or any other entity to which ADVIK supplies independently or as part of its own deliverable to third party. Also, Supplier shall be responsible for functional failure of its parts thereby leading to a loss of business, reputation loss or any kind of additional cost that ADVIK has to bear.

c. If Advik conducts a voluntary or mandatory recall of one or more Components due to any defect, then it will be the duty of the Supplier to facilitate and assist Advik in the replacement of the Components and the Supplier will be responsible for all actual and ancillary costs involved in the manufacture and Delivery of new Components. The cost shall include but not be limited to new item cost which will replace defective component, other costs such as transportation – shipment and reshipment, labour cost, penalty charged by customer, assembly and dis-assembly costs, costs of identification of defect or failures, cost incurred to engage recall agency or expert to run the campaign, overhead costs towards handling, any taxes thereon etc. The Supplier will be liable to indemnify Advik for all losses if the Components is recalled due to a defect resulting from non-adherence to the Specifications. The decision and the scope of the recall of any Component will be at the sole discretion of Advik and the Supplier will have no right to challenge any decisions to recall.

d. A copy of the certificate of insurance issued in respect of each policy of insurance shall be furnished to Advik, together with any other reasonable evidence that the Supplier has complied with and continues to comply with its obligations under this Clause as Advik may from time to time require. In the event that the Supplier neglects or fails to maintain the policies of insurance in accordance with this Clause, Advik shall have the right (but shall not be obliged) to arrange for such policies of insurance and the Supplier shall bear all costs and expenses (including the premiums) in connection therewith. In case such insurance is not available at the time of claim the supplier shall bear all relevant costs referred above.

e. The Supplier shall ensure that Advik is named as an additional insured under each insurance policy and shall provide Advik documentary evidence of the same. Except where prohibited by law, Supplier will require its insurers to waive all rights of recovery or subrogation against Advik and its officers, directors, shareholders, employees, and agents. The limit of liability the supplier should carry should at least be equal to value of annual supplies to ADVIK. The amount of insurance carried in compliance with the above requirements is not to be construed as either a limitation on or satisfaction of Supplier's obligation in this Agreement.

14. COMPLIANCE OF POLICIES

The Supplier agrees to comply with all the policies and procedures of Advik and its Affiliates for the purpose of performance of this Agreement. Such policies shall be separately executed between the Parties (including via email) and the Supplier agrees to comply with the same

including any amendment thereof. Such policies shall be read with this Agreement and constitutes an integral part of this Agreement. The list of policies are as mentioned below (which is not exhaustive) and new policies shall be added as per decision of Advik's management, or its Affiliates. Supplier agrees to comply with all such new policies which shall be added by Advik or its Affiliates from time to time.

Policies:

1. Policy for Handling Rejected Parts at Advik (Segregation/ Rework);
2. Material Short Receipt from Sub-Vendor;
3. Policy for Handling Urgent Requirement (Premium Freight);
4. Supplier 4M Change Procedure;
5. Production line stop due to shortage of Supplier material;
6. Note: Please refer Annexure No. 3 for detail.

15. FORCE MAJEURE

a. In the event either Party ("**Prevented Party**") is prevented, despite best efforts, from performing its obligations under this Agreement by a Force Majeure Event, the Prevented Party shall notify the other Party as soon as possible, after occurrence of such Force Majeure Event and within 15 (fifteen) calendar days thereafter shall provide detailed information concerning such event and documents evidencing such event, explaining the reasons for its inability to execute, or for its delay in the execution of, all or part of its obligations under this Agreement.

b. If a Force Majeure event occurs, the Prevented Party shall not be responsible for any damage, increased costs or loss which the other Party may sustain by reason of such a failure or delay of performance, and such failure or delay shall not be deemed a breach of this Agreement; provided, however, the Prevented Party provides a notice and exercises all reasonable means to minimise or remove the effects of a Force Majeure Event and, within the shortest reasonable time, attempts to resume performance of the obligations delayed or prevented by the Force Majeure Event.

c. For the sake of clarity, a Force Majeure Event does not cover the following:
   i. those events which would render performance of the obligations difficult, onerous or expensive; or
   ii. strikes, lock-outs, or any labour-related, financial, technical, or industrial incapacity, or any impediment causing a prejudice to the Parties, their suppliers, subcontractors or any other person involved in the delivery of the products.
   iii. The occurrence of a Force Majeure Event shall not, however relieve the Prevented Party from its liability for any negligent conduct or lack of diligence to remedy the situation or to remove its cause in a reasonable and adequate manner.

16. INTELLECTUAL PROPERTY

a. All inventions, discoveries, improvements, processes, designs, ideas and software etc. (whether or not patentable) developed by Advik, either before or after the Effective Date of this Agreement, will be the sole property of Advik.
b. All inventions, discoveries, improvements, processes, designs, ideas and software etc. (whether or not patentable) developed by the Supplier, after the Effective Date of this Agreement, and (i) funded by Advik in whole or in part through separately-identified payments to Supplier for the design or development of a Component, any equipment, raw material or manufacturing process, or (ii) developed by Supplier after the Effective Date of this Agreement and for or with reference to an Advik vehicle platform or development project, and/or (iii) developed by Supplier after the Effective Date of this Agreement and following the communication by Advik to Supplier of a related development need or desire, will be the sole property of Advik, and/or (iv) developed by the Supplier based on the specifications provided by Advik to the Supplier.
c. Any graphic designs in any medium developed for, or used on, in or with, any Component or other item provided or to be provided to Advik or any of its direct or indirect affiliates, that include or make use of any trademark (including any negative or separated images of any trademark) of Advik or any of its direct or indirect affiliates, and any other representations in any medium of any trademarks of Advik or any of its direct or indirect affiliates, will be the sole and exclusive property of Advik, regardless of who develops the graphic design or other representations and regardless of whether the graphic design or other representations is actually incorporated into any such Components or other items.
d. Usage Rights. Without the prior written consent of Advik, Supplier will not publicly disclose, disseminate, display or distribute in any form or in any medium (including news releases, professional articles, or publications etc.), any developed invention, discovery, improvement, process, design, idea or software etc. that is owned by Advik.

i. Supplier shall not (1) register or seek to register any Advik Mark with any governmental or other authority in its own name or in the name of any other person or entity anywhere in the world; (2) register or seek to register a domain name that consists of, incorporates, or is based, in whole or in part, on any of the Advik Marks in its own name or in the name of any other person or entity; or (3) register, seek to register, or use anywhere in the world any word, symbol, character, or set of or combination of words, symbols, or characters, which in any language would be identified as the equivalent of any Advik Mark, or is confusingly similar in appearance, sound, meaning, or commercial impression to, a colorable imitation of, substantially similar to, misleading or deceptive with respect to, or dilutive of the distinctiveness of, any Advik Mark anywhere in the world, in each case whether during the term of the Agreement or at any time following the expiration or termination of this Agreement.
ii. Supplier shall at no time do, or allow to be done by any person or entity on behalf of Supplier, whether by act or omission, anything that would put into issue or otherwise adversely affect any registration of, or the strength, validity, enforceability or ownership of, any Advik Mark,

or damage, dilute, devalue or prejudice the reputation or goodwill of Advik, the Products or any of the Advik Marks.

iii. Supplier may not use, display or dispose of any tangible or intangible medium (including, without limitation, any Product) that embodies or otherwise contains any such graphic design or other representation, including but not limited to the Advik Marks except to, or for the benefit of, Advik and in accordance with Advik's written instructions.

17. RIGHT TO AUDIT AND FINANCIAL REVIEW

a. In addition of audit rights mentioned under Clause 11 (l) above, Supplier grants to Advik and to Advik's authorized agents and representatives and Affiliates access to all pertinent information, including books, records, payroll data, receipts, correspondence and other documents, for the purpose of auditing Supplier's charges under the Purchase Order and compliance with its terms, during the term of the Purchase Order and for an additional five (5) years after the final payment under the Purchase Order. Supplier shall preserve such information for such period (or longer, if required by applicable law). In addition, all work, materials, inventories and other items provided for under the Purchase Order must at all times be accessible to Advik or Affiliates and to Advik's or its Affiliates' authorized agents and representatives, including parts, tools, fixtures, gauges and models. Supplier shall segregate its records and otherwise co-operate with Advik or its Affiliates so as to facilitate any such audit.

b. If such audit shows any price discrepancy or Supplier's non-compliance, Supplier shall reimburse Advik or its Affiliates for such discrepancy or other loss caused by its non-compliance with the Purchase Order, together with interest at an annual rate of twelve percent (12%) (or such maximum rate allowed by applicable law, if lower), plus the cost of such audit.

c. Advik , its Affiliates, or a third party designated by and acting on behalf of Advik, may at any time review the financial condition of Supplier and its affiliates, and Supplier shall fully co-operate in such review and shall make its financial managers available for discussions during reasonable business hours. Advik and any such designated third party shall keep confidential any non-public information about Supplier and its affiliates obtained in such financial review and shall use such information only for purposes of such financial review, except as otherwise needed to enforce the Purchase Order.

18. ADVIK'S WEBSITE

a. Advik's internet website (or such other website as may be directed through links available on such website) as specified on the Purchase Order ("Advik's Website") may contain specific additional requirements for certain items covered by the Purchase Order, including labeling, packaging, shipping, delivery and quality specifications, procedures, directions and/or

instructions. Any such requirements shall be deemed to form part of this Agreement and the Purchase Order. Advik may periodically update such requirements by posting revisions thereto on Advik's Website. In the event of any inconsistency between this Agreement, the Purchase Order and Advik's Website, the following shall be the order of precedence: (i) this Agreement, (ii) terms of Purchase Order and (iii) Advik's Website, unless the requirements specified on Advik's Website expressly provide otherwise.

b. Advik may modify the Purchase Order terms and conditions from time to time by posting revised Purchase Order terms and conditions to Advik's Website. Such revised Purchase Order terms and conditions shall apply to all Purchase Orders and Purchase Order revisions issued on or after the effective date thereof. Supplier shall review Advik's Website periodically.

19. TERM

Unless otherwise terminated in accordance with this Agreement, this Agreement shall commence on the Effective Date and shall remain in effect until 3 years after the last Component is delivered under the last Purchase Order between Advik and Supplier.

20. DISPUTE RESOLUTION

a. Governing Law and Jurisdiction: This Agreement shall be governed by and construed in accordance with the laws of India. Subject to the Arbitration clause herein, Pune, India courts shall exclusively be entitled to entertain and try any dispute or matter relating to or arising out of this Agreement.

b. Notice of Dispute. In the event of any dispute, controversy or claim arising out of, relating to or in connection with this Agreement (a "**Dispute**"), any Party may serve formal written notice on the other Party that a Dispute has arisen ("**Notice of Dispute**").

c. Amicable Settlement. The Parties shall use all reasonable efforts for a period of 14 (fourteen) calendar days from the date on which the Notice of Dispute is served by one Party on the other Party (or such longer period as may be agreed in writing between the Parties) to resolve the Dispute on an amicable basis. If the Parties are unable to resolve the Dispute by amicable negotiation within the time period referred herein, the Dispute shall be immediately referred to arbitration with Clause 11.4.

d. Arbitration.

i. Subject to Clause 14.2 to Clause 14.3, the Dispute shall be referred to and finally resolved by arbitration under the (Indian) Arbitration and Conciliation Act, 1996. While submitting the Dispute to arbitration in accordance with this Clause, the Party so submitting shall, in its notice, specify the name of one arbitrator appointed by it. The arbitration proceedings shall be presided by a sole arbitrator if the Parties agree upon a sole arbitrator and failing such agreement by 3 (three) arbitrators. Within 30 (thirty) Business Days of the receipt of notice, the other Party to the dispute shall appoint the second arbitrator, if it does not agree to the appointment of the sole arbitrator. The third arbitrator shall be nominated by the arbitrators

appointed as aforesaid or, failing such nomination within 30 (thirty) Business Days of the appointment of 1 (one) arbitrator by each Party to the dispute, shall be appointed in accordance with the (Indian) Arbitration and Conciliation Act, 1996. The arbitration shall be in English and the seat of arbitration shall be Pune, India.

ii. Any arbitral award made in accordance with this provision shall be conclusive and binding on the Parties and that none of the Parties shall be entitled to commence or maintain any action in a court of law in relation to the Dispute, except for the enforcement of an arbitral award granted pursuant to this Clause 14.4, or to the extent permitted under Law.

21. TERMINATION

a. Advik or its Affiliates may at any time terminate this Agreement by giving to the Supplier not less than 2[two] months' notice in writing.

b. Advik or its Affiliates will have the right to terminate this Agreement or a Purchase Order or Release (at its sole discretion) if:

- the Supplier fails to deliver the Components to Advik or its Affiliates within the time specified under any Purchase Order and/or Release;
- if the Supplier commits a breach of this Agreement or a Purchase Order and fails to cure such breach within 30 days after the receipt of written notice of the breach;
- there is a change of control of the Supplier and/or any Competitor of Advik or its Affiliates acquires, directly or indirectly, majority voting control or majority ownership of the Supplier,
- if a Force Majeure Event remains in effect for a period longer than three (3) months
- Either Party will have the right to terminate this Agreement or a Purchase Order or Release:
  (a) if the other Party (i) becomes insolvent, (ii) becomes the subject of proceedings under any law relating to bankruptcy, receivership or the relief of debtors and, in the case of involuntary proceedings, the petition is not dismissed, stayed, bonded or discharged within 60 days of the commencement of the proceedings or (iii) admits in writing its inability to pay its debts as they become due;
  (b) the other Party commences negotiations with all or any class of its creditors with a view to reschedule any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;
  (c) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other Party;
  (d) a creditor or encumbrancer of the other Party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within fourteen (14) days; or
  (e) the other Party ceases, or threatens to cease, to carry on all or substantially the whole of its business.

c. Mode of Termination. The terminating Party will deliver written notice of termination to the other Party. The termination may be effective immediately or at a specifically identified time in the future. A Purchase Order or Release may be terminated in whole or in part. The effective time of termination may be the same or different for each Purchase Order and/or Release terminated.
d. Termination of this Agreement shall not prejudice any of the Parties rights and remedies which have accrued up to the date of such termination.
e. Obligations on Termination.
On termination of this Agreement, the Supplier shall promptly:

- Return to Advik or its Affiliates all equipment, materials, drawings and property belonging to Advik or its Affiliates that Advik or its Affiliates had supplied to the Supplier in connection with the manufacturing and supply of the Components under this Agreement (including but not limited to any ADVIK Property or tools provided to Supplier hereunder);
- return to Advik or its Affiliates all documents and materials (and any copies) containing Advik's or its Affiliates' Confidential Information;
- securely erase all Advik's or its Affiliates' Confidential Information from its computer systems (to the extent possible and practicable); and
- on request, certify in writing to Advik or its Affiliates' that it has complied with the requirements of this Clause.
- supply the Components to Advik or its Affiliates in terms of all pending Purchase Orders.

f. Supplier will be liable for all damages caused by or resulting from its default including but not limited to excess costs of re-procurement, costs associated with qualifying a third-party supplier, and any costs or penalties flowed down by Advik's or its Affiliates' customers as a result of any disruption of supply.
g. Survival. Clauses 5, 12, 15.6, 16, 17 shall survive the termination of this Agreement.

22. REPRESENTATIONS, WARRANTIES AND INDEMNITIES

a. Each Party represents and warrants to the other Party that it has full corporate power and authority and is duly authorized under applicable Law and its constitutional documents to execute, deliver and perform this Agreement, and that doing so will not cause it to violate any loan or lease agreement, indenture or any other contract, arrangement or instrument or constitute default under applicable Laws or other obligations to which it is bound or violate any rule, regulation or law of any government or any order, judgment or decree of any court or government body.
b. Supplier shall supply the Components as per the specification(s)/quality standards as agreed by the Parties under this Agreement and as may be informed by Advik or its Affiliates from time to time for the purpose of manufacturing and supplying the Components.
c. Notwithstanding anything contained anywhere under this Agreement, Supplier shall, at its expense, defend, indemnify and hold harmless Advik and its subsidiaries, Affiliates and their

officers, directors, employees, agents and customers (**Indemnified Persons**) from and against all losses, costs, liabilities, claims, damages, judgments, settlements and expenses, including attorneys' fees, incurred or suffered by any of the Indemnified Persons arising out of or resulting from (i) any breach by the Supplier of any it's representations, warranties, undertakings, covenants, agreements and/or obligations contained in this Agreement (including, without limitation, a willful refusal to perform obligations under this Agreement that remains uncured for thirty days after date of Notice and/or (ii) Supplier's negligence and/or willful misconduct.

d. With respect to the Components supplied under this Agreement, Supplier will, at its expense, defend and indemnify the Indemnified Persons from and against all losses, costs, liabilities, claims, damages, judgments, settlements and expenses, including attorneys' fees, incurred or suffered by any of the Indemnified Persons arising out of or resulting from, or occurring in connection with any alleged: (a) patent, copyright, or trademark infringement; (b) unlawful disclosure, use, or misappropriation of a trade secret; or (c) violation of any other third-party intellectual property right, and from expenses incurred by Indemnified Persons in defense of such suit, claim, or proceeding if Supplier does not undertake the defense thereof.
e. Supplier shall be responsible, at its expense, to indemnify and hold harmless Advik and its subsidiaries, Affiliates and their officers, directors, employees, agents from and against all losses, costs, liabilities, claims, damages, judgments, settlements and expenses, including attorneys' fees, incurred or suffered by Advik and its subsidiaries, Affiliates and their officers, directors, employees, agents, arising out of or resulting from any claim raised by Advik's customers due to any defect/deficiency in the Component or if the Component is un-fit for consumption or due to any claim arising out of the use of the Component.
f. Supplier will not enter into any settlement or compromise without Advik's prior written consent, which will not be unreasonably withheld.

23. CONFIDENTIALITY

a. The Supplier shall keep confidential (and shall ensure that its directors, officers, employees, agents and professional and other advisers keep confidential) any and all Confidential Information. The Supplier shall not use or disclose to any person any such Confidential Information without the prior written consent of Advik or its Affiliates. In performing its obligations under this Clause, Supplier shall maintain all Confidential Information in a manner so as to protect the same against wrongful disclosure, misuse, espionage and theft etc.
b. The Supplier shall use Confidential Information only for the benefit of Advik or its Affiliates and as per the terms agreed between the Parties under this Agreement. The Supplier may disclose Confidential Information only to those employees, agents, affiliates and authorized suppliers who need to know the Confidential Information in order to evaluate a potential

supply relationship between Advik or its Affiliates and Supplier or to establish, maintain or improve a supply relationship between Advik or its Affiliates and Supplier. The Supplier's employees, agents, affiliates and authorized suppliers will be required to maintain the confidentiality of the Confidential Information and the failure of any of them to maintain confidentiality will be the responsibility of the Supplier. In addition, the Supplier will obtain a written agreement from each of its authorized suppliers to whom Confidential Information is disclosed that such supplier will be bound by this Clause. The Supplier may disclose Confidential Information to the extent disclosure is required by law, but only if Advik or its Affiliates is given written notice of the proposed disclosure as soon as the Supplier becomes aware of the disclosure obligation

c. Return of Confidential Information. Upon request of Advik or its Affiliates, or termination of this Agreement, the Supplier will promptly return all tangible forms (including electronic) of Confidential Information received by it that have not already been properly disposed of. If requested by the Supplier, Advik or its Affiliates will identify the Confidential Information that it believes the Supplier received from Advik or its Affiliates. Advik will not request the return of Confidential Information till the Supplier requires to fulfil its contractual obligations, if any, to Advik. The Supplier will only dispose of Advik's or its Affiliates Confidential Information when the Confidential Information is no longer required by Advik or its Affiliates and the Supplier has taken the written consent of Advik or its Affiliates for disposing off such Confidential Information. The Supplier will only dispose of Confidential Information (such as documents or prototype or pre-production parts) in a manner that results in the destruction of the Confidential Information so that the Confidential Information cannot be recovered or used by a third party following disposal.
d. Confidentiality of Relationship. In order to prevent one Party from unfairly attempting to exploit the other Party's name or reputation, neither Party will disclose (except to those who need to know in order to evaluate, establish, maintain or improve a supply relationship between Advik or its Affiliates and Supplier) or market the existence of a potential or actual supply relationship between Advik or its Affiliates and Supplier without the other Party's written consent, which may be withheld or withdrawn for any reason, except to the extent disclosure is required by law.

24. ELECTRONIC COMMUNICATION

When Advik or its Affiliates and Supplier communicate electronically with each other, the Parties will use one or more agreed upon formats for electronic communication, which may be direct or through a third-party service provider. When the Parties transmit information electronically in an agreed upon format under an agreed upon protocol, the electronic communication will be considered "written" or "in writing" for purposes of this Agreement. Each Party will pay its own hardware, software and transmission costs. Each Party will take appropriate precautions to ensure that transmissions are authorized and remain confidential. The Parties will promptly notify one another of communications that appear to

be incorrect or unauthorized or which contain system viruses or other infections. All electronic transmissions will be treated as signed writings and original records, except that when this Agreement requires a Party's written consent or written agreement, the written consent or written agreement must include a manual signature (which may be on paper or imaged) on behalf of that Party.

25. NON-COMPETE

Supplier will ensure that during the time Supplier is manufacturing and supplying the Components to Advik or its Affiliates and two (2) years thereafter, Supplier will not directly or indirectly sell that Components or any substitute Component that has substantially the same functionality as a Component, to any Competitor of Advik or its Affiliates and/or to any third party. This clause will not apply to Components that (a) Supplier sold to a Competitor of Advik or its Affiliates prior to the Effective Date.; provided that such list of Competitors shall be disclosed to and approved by Advik or its Affiliates.

26. NOTICES

a. Any notice in connection with this Agreement shall be in writing in English, and delivered by hand, fax, registered post or courier through a recognized courier company. A notice shall be effective upon receipt and shall be deemed to have been received (i) at the time of delivery, if delivered by hand, registered post or courier or (ii) at the time of transmission if delivered by fax, provided that in either case, where delivery occurs outside Working Hours, notice shall be deemed to have been received at the start of Working Hours on the next following Business Day.

b. The addresses of the Parties for the purposes of this agreement are:

A. In the case of notices to Advik:

Address	: [●]
Facsimile	: [●]
Attention	: [●]

B. In the case of notices to the Supplier:

Address	: [●]
Facsimile	: [●]
Attention	: [●]

c. Either Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to the other Party not less than 10 (ten) days' prior written notice.

27. CYBER-SECURITY AND INFORMATION PROTECTION

The Supplier shall be under an obligation to comply with the following provisions relating to cyber-security and information protection:

a. The Supplier undertakes and agrees to implement up to the mark cyber-security protection for storage as well as transfer of personal data.

b. In the event of a cyber-security incident, including any delay or disruption of information or data that causes any actual or potential breach by Supplier of the Purchase Order, including, without limitation, any delay in supplying the Components or access to information = Supplier shall inform Advik by telephone call of such cybersecurity incident, as soon as reasonably possible but in any event within twenty-four (24) hours of Supplier discovering such cyber-security incident.

c. Supplier shall (i) provide Advik with a summary of known information about such cyber-security incident, (ii) implement required remedial measures to remedy the effects of such cyber-security incident, (iii) provide specific information about the cyber-security incident and response upon request by Advik, and (iv) within two (2) weeks of completion of Supplier's investigation of the cyber-security incident, provide a report to Advik, including a description of the incident, the causes of such events leading to the cyber-security incident, how Supplier has mitigated against future events of a similar kind, the timeline of the incident, the suspected perpetrators of the cyber-security incident, what information and/or data or access to such information and/or data may have been affected by such incident, and any financial impact to the Advik related to such incident.

d. In connection with the above, Supplier shall, at its expense, promptly investigate the cyber-security incident and co-operate fully with Advik in its investigation of same, including by providing access and information to Advik, as or when requested by Advik. Supplier shall fully implement all required remedial actions identified to stop such cyber-security incident from continuing, or prevent a future incident, no later than two (2) months after the completion of Supplier's investigation of such incident. Supplier shall provide Advik with the name and contact information of a primary security representative of Supplier who can be reached by Advik, twenty-four (24) hours per day, seven (7) days per week.

e. In the event that Advik has suffered a loss as a result of any cyber-security incident in connection with the payment for the Components and/or services provided by Supplier under the Purchase Order, Supplier shall only be entitled to receive payment under this Purchase Order for such Components and services only after and to the extent of, and in proportion to, Advik's completion of any and all investigations related thereto and subject to

all indemnification obligations of Supplier, and all set-off rights of Advik, under this Purchase Order.

f. Supplier shall, at its expense, implement and maintain appropriate technical and organizational measures and other protections for the proper security of all information and/or data, including, without limitation, by not loading information and/or data on (i) any laptop computers or portable electronic device, or (ii) any portable storage media that can be removed from Supplier's premises, unless in each case such information and/or has been encrypted. Such measures and other protections include the prevention of password theft or loss or unauthorized access to or use of any Information and Supplier shall notify Advik promptly of any password theft or loss or unauthorized access or use of any Information. Furthermore, such measures and other protections include the implementation and enforcement of physical security measures at Supplier's own premises with respect to its access and maintenance of information and/or that (i) are at least equal to industry standards for such types of premises, and (ii) provide industry standard technical and organizational measures and other protections against accidental or unlawful, theft, loss, or alteration of, or unauthorized disclosure or access to information

g. Supplier's information systems shall not contain any virus, malware, Trojan horse, worm, time bomb or other computer programming routine, device or code that could reasonably be anticipated to damage, delete, destroy, replicate, lock, disable, detrimentally interfere with, surreptitiously intercept or expropriate any system. Supplier shall implement all required measures and other protections to ensure that its information systems do not contain any of the foregoing, including any backdoor or other computer programming routine, device or code that could adversely affect the security or confidentiality of Advik's systems or information and/or data.

h. Supplier shall take all reasonable measures to secure and defend its physical premises, information systems and equipment against "hackers" and others who may seek, without authorization, to modify or access Supplier's or Advik's systems or the information found therein and shall periodically test its information systems for potential areas where security could be breached.

i. Supplier shall indemnify and hold Advik and the customer, and their respective representatives, employees, agents, customers, invitees, subsidiaries, affiliates, successors and assigns, harmless from and against all liabilities, claims, demands, losses, costs, damages and expenses of any nature or kind (including consequential and special damages, personal injury and property damages, lost profits, production interruption costs, inspection, handling and reworking charges, professional and other legal fees, and other costs associated with Advik's administrative time, labor and materials) arising from or as a result of Supplier's or its subcontractors' or suppliers' business or information systems relating to any cyber-security incident. No limitations on Advik's rights or remedies in any of Supplier's documents shall operate to reduce or exclude such indemnification.

j. In addition to Advik's audit rights, Advik shall have the right, either directly or through a reputable third party engaged by Advik at its own expense, to visit Supplier's premises once per calendar year in order to review, audit and conduct a risk assessment of Supplier's business operations related to the Components, Supplier's compliance with the Terms, or any other premises in which information/data is housed, including regarding technical infrastructure, information or data systems interaction, organization, quality, quality control, personnel engaged in providing Components or Services, or validation of Supplier's current or ongoing internal controls to ensure proper technical and organizational measures and other protections are in place for the proper security of all information and/or data. Such audit, risk assessment and review will be comprised primarily of a walk-through of Supplier's premises and such other checks reasonably required to confirm compliance with the terms of this paragraph subject to Advik's additional written requirements to Supplier regarding the scope of Advik's access to Supplier's premises and information. Such audit, review or risk assessment shall occur at a reasonable time during normal business hours not more than once during any current calendar year and shall not unreasonably interfere with Supplier's or its operations.

28. MISCELLANEOUS PROVISIONS

a. Assignment: Supplier shall not assign, sub-contract, outsource or license any right or obligation hereunder without the written consent of the Company. Any assignment by Supplier in violation of this provision shall be void and of no effect.
b. Independent Contractor. At all times Supplier will be an independent contractor to Advik or its Affiliates. Any public statements about "partnership" between Advik or its Affiliates and Supplier will not create a legal partnership or fiduciary relationship between Advik and Supplier. Neither party will act as an agent of the other party. This Agreement is between Advik and Supplier and does not create any third-party rights in any other person.
c. Compliance with Law. In addition to its other obligations under this Agreement, Supplier will (1) conduct its business in an ethical and fair manner; (2) maintain facilities for its workers that provide a safe and healthy environment; (3) provide wages and benefits that conform to the prevailing industry standards; (4) not exceed local work hour limits; (5) not, directly or indirectly, use any child labor (as such term is defined in any relevant law in India), or purchase materials from any entity that uses child labor; (6) not, directly or indirectly, use prison or other forced labor or purchase materials from any entity that uses prison or other forced labor; and (7) not discriminate on the basis of personal characteristics or beliefs.
d. Further Assurances. The Parties to this Agreement shall from time to time execute and deliver all such further documents and do all acts and things as the other Party may reasonably require to effectively carry out the full intent and meaning of this Agreement and to complete the transactions contemplated hereunder.

e. Partial Invalidity. If any provision of this Agreement or the application thereof to any Party or circumstance shall be invalid, illegal, or unenforceable to any extent for any reason including by reason of any Law or regulation or government policy, the remainder of this Agreement and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by Law. Any invalid, illegal or unenforceable provision of this Agreement shall be replaced with a provision, which is valid and enforceable and most nearly reflects the original intent of the invalid and unenforceable provision.

f. Entire Agreement. This Agreement constitutes the entire agreement of the Parties relating to the subject matter hereof and supersedes any and all prior agreements or arrangements, whether oral or in writing, between the Parties hereto with respect to the subject matter herein. No Party shall have any claim or remedy in respect of any statement, representation, warranty or undertaking made by or on behalf of the other Parties which is not expressly set out or referred to in this Agreement. This Clause shall not exclude any liability for, any remedy in respect of, fraud, willful default or misrepresentation.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED AS OF THE DATE FIRST ABOVE WRITTEN.

_____

Signed for and on behalf of Advik

By:

Title: Authorized Signatory

Witness:

_____

Signed for and on behalf of Supplier

By:

Title: Authorized Signatory

Witness:

Annexure I

Components

• Sr No	• Part #	• Part Name
•	•	•
•	•	•

Annexure II

Components Specification/Quality Standard

Annexure III

Debit Policies

I. Handling NG parts at ADVIK

Sr. No.	Description of Alternate possibilities	Penalty / Rework Cost
1	Segregation or Rework at Advik by manpower arranged by Advik	Rs. 2000 per shift
2	Segregation or Rework at Advik by Supplier manpower	Rs. 1000 per shift

II. Penalty and debit note structure for short material supply

Penalty Structure

	Penalty Structure (Quarterly)	
Sr. No.	**No. of occurrences/ Quarter**	**Penalty (Rs.)**
1	More than 4 occur / quarter	10000
2	4 occur / quarter	5000
3	3 occur / quarter	2000
4	2 occur/ quarter : Discussion with supplier and MOM for counter measure to avoid reoccurrence	0
5	1 occur/ quarter : Inform to supplier thru auto email and action plan	0

	Debit for short receipt			
		Number of occurrences in a year		
Sr. No.	**Category of Item**	**Less Than 5**	6 to 15	More than 15
1	A Class	5 x Discrepancy Value	10 x Discrepancy Value	15 x Discrepancy Value

2	B Class	5 x Discrepancy Value	10 x Discrepancy Value	15 x Discrepancy Value
3	C Class	Discrepancy Value	2 x Discrepancy Value	3 x Discrepancy Value

Note: Discrepancy Value = Short Qty X (Basic value/ no + Tax loss / Nos. + other loss if any / nos.)

III. Policy for Handling Urgent Requirement (Premium Freight)

Sr. No.	Description	Responsible for premium freight
1	In case Advik requirement increased by more than 10% to firm schedule and that cannot be dispatched through normal mode.	Advik
2	The part /Insert/RM used for production is not supplied by Advik on time but part is required on urgent basis.	Advik
3	For all other situations where Supplier has failed the dispatch as per weekly plan / lot is rejected for quality parameters and delivery is made through special mode.	Supplier
4	Cases which are not following in above criteria will be discussed with corporate materials before dispatch and the responsibility will be decided at that time based upon the facts and figures.	For Decision (Head materials)

IV. Supplier 4M Change Procedure

Penalty for unauthorized change

Sr. No	Type of un-authorized Change	Action / Penalty	Initiation Authority	Approving Authority
	Major Changes			
1	Raw Material Change	Penalty to Supplier of Rs. 1,00,000/- immediately + customer debit + other expenses for resolving complaint.	Plant QA Head	Corp. QA Head / SCM Head
2	Change in Special Process sub supplier			

	Minor Changes			
3	Change in design of dies, moulds etc. or supply from non-approved dies.	Penalty to Supplier Rs. 50,000/- immediately + customer debit + other expenses for resolving complaint	Plant QA Head	Corp. QA Head / SCM Head
4	Change in manufacturing process (Not as per approved control plan)			
5	Change in type of machine			

V. Penalty and debit note structure for production line stoppage due to shortage of Supplier material

Penalty and Debit Note Structure:

	Debit & Penalty Structure (Monthly)			
Sr. No.	**Description.**	**No.of occurrences/ Month**	**Debit charges/ Hour**	**Additional Penalty**
1	Line loss at Machining /Assembly Line	More than 1 occ / Month	**400**	**5000**
2		Up to 1 occ / Month	**400**	**0**

_____

Signed for and on behalf of Advik

By:

Title: Authorized Signatory

Witness:

_____

Signed for and on behalf of Supplier

By:

Title: Authorized Signatory

Witness: