

## GENERAL TERMS AND CONDITIONS OF PURCHASE

### 1. GENERAL

- 1.1. These General Terms and Conditions of Purchase (“General T&Cs”) shall apply to all purchases and procurements of applicable goods (“Goods”) and services (“Services”) between the CARsgen entity placing the purchase order (“Order”) and its supplier, seller, service provider or vendor as applicable (“Supplier”).
- 1.2. These General T&Cs shall be fully applicable as soon as the Order is accepted in accordance with the terms defined in Article 2 hereinafter, and supersede any and all the Supplier’s terms and conditions however imposed, whether in the quotation, purchase order, invoices or any other document or publication of the Supplier.
- 1.3. Any conflicting, amending or deviating terms and conditions of the Supplier shall not apply, and notwithstanding CARsgen’s acceptance or payment for any shipment or any similar act by CARsgen, unless added to, amended, superseded or otherwise modified by CARsgen in writing.
- 1.4. These General T&Cs and the respective Orders (collectively, this “Agreement”) of CARsgen constitute the entire agreement between CARsgen and the Supplier and supersede all other prior documents, whether express or implied, written or oral. Notwithstanding the foregoing, in the event of any inconsistency between a separately executed Quality Agreement and this Agreement, this Agreement shall control, except that the terms of the Quality Agreement shall control with respect to those terms that relate solely to quality assurance or quality control.

### 2. OFFERS AND ORDERS

- 2.1. Any acknowledgement of the Order, delivery made or work performed by the Supplier pursuant to the Order shall constitute acceptance of the Order. Acceptance of the Order (whether made by written or oral acknowledgement or by delivery of the Goods or performance of the Services subject to and specified in the Order, or any part thereof) shall constitute acceptance by the Supplier of these General T&Cs.

### 3. PRICE AND PAYMENT

- 3.1. All prices quoted are inclusive of any shipping, packaging, freight, handling charges, any present or future sales, use, excise, value-added or similar taxes then in effect and added to the invoice as stated on the Order and shall remain fixed until the delivery and acceptance of all Goods and completion of all Services.
- 3.2. No invoice will be accepted or processed for payment unless it references the CARsgen Order number, is properly addressed and contains sufficient detail with respect to each item invoiced. CARsgen will pay all invoices in accordance with the terms set forth in this Agreement.

- 3.3. Payment shall not be deemed to constitute acceptance of the Goods or Services thereof.
- 3.4. CARsgen shall be entitled to waive its obligation to make payments to the Supplier as long as the Supplier is in arrears with any outstanding delivery of Goods or performance of Services.
- 3.5. In the event that any payment is made prior to delivery of any or all of the Goods, the Supplier hereby grants to CARsgen, and CARsgen shall have, a security interest in the Goods, components and/or raw materials used in or purchased or intended for the manufacture of the Goods or purchased with money paid by CARsgen (or its affiliates or agents) to the Supplier (or on behalf of the Supplier), which security interest shall attach to the Goods, components and such raw materials immediately upon the Supplier’s receipt of such payment. The Supplier further agrees to execute and file (or, at CARsgen’ option, permit CARsgen or CARsgen’ agents to execute and file), or take such other reasonable actions as CARsgen may deem necessary to evidence such security interest, at the Supplier’s expense.
- 3.6. All costs, damages or expenses for which the Supplier is liable to CARsgen may be deducted from any amounts due or becoming due to the Supplier, or may be recovered from the Supplier by action at law or otherwise.
- 3.7. The Supplier undertakes that the price of the Goods or Services supplied shall not be less favorable than the price currently offered to any other customers of the Supplier for the same or similar Goods or Services in equal or lesser quantities, including all available incentives in the form of discounts, credit purchases, price reductions, rebates, etc. In the event that the Supplier supplies its Goods or Services to any other customers at lower prices CARsgen is able to acquire identical or substantially similar Goods or Services at a lower price during the term of this Agreement, the Supplier agrees to reduce the price of respective Goods or Services accordingly. Otherwise, CARsgen shall be entitled to immediately terminate the Orders of respective Goods and Services. Upon CARsgen’s request, the Supplier shall certify to CARsgen in writing that it has complied with this section and shall provide CARsgen with all relevant information to demonstrate compliance with this provision.

### 4. DELIVERY OF GOODS AND PERFORMANCE OF SERVICE

- 4.1. All Goods shall be delivered, and all Services shall be performed by the date(s) specified in the relevant Order or as otherwise agreed by CARsgen in writing and in accordance therewith. Unless otherwise agreed, CARsgen expressly reserves the right to (i) refuse acceptance of early or late delivery of ordered Goods or performance of

Services, without this constituting a delay in acceptance; and (ii) reject or store, at the Supplier's cost and risk, a non-agreed under- or over-delivery of ordered Goods.

- 4.2. Time shall be of the essence of the Supplier's obligations hereunder. If the Supplier fails, or if CARsgen has reason to believe that the Supplier may fail, to make a timely delivery or perform the Services as required by the Order, CARsgen shall be entitled to terminate the Order or any part thereof.
- 4.3. Without prejudice to any other remedy, if the Goods are not delivered or the Services are not performed by the due date or in full compliance with relevant Orders and these General T&Cs, CARsgen shall be entitled to recover from the Supplier, as liquidated damages (either directly or by way of deduction from any amounts due or to become due to the Supplier), an amount equivalent to 5% per day or the maximum interest rate permitted by applicable law, whichever is lower, of the price of the delayed Goods or Services for each day of delay from the due date until full delivery or complete performance (or such other percentage and/or period as may be specified in the Order or Written Agreements).
- 4.4. An Order and/or delivery shall not be deemed complete until all Goods and all other related deliverables (including manuals and other documentation) and Services have actually been received and accepted by CARsgen.

## 5. PACKAGING AND SHIPMENT

- 5.1. The Supplier shall be responsible for proper packing, loading and lashing to prevent damage during transportation. Packaging, crating, loading, and storage shall not be charged unless otherwise agreed in writing by CARsgen.
- 5.2. All Goods shall be suitably packed to withstand normal freight handling and storage periods and if the Goods or any parts thereof is damaged as a result of defective or inadequate packing, the damaged Goods or part thereof shall be repaired or replaced at the Supplier's expense regardless of whether delivery has been accepted.
- 5.3. Unless specified otherwise in the Order, delivery shall be made DDP, whereupon all risks related to the delivered Goods shall transfer to CARsgen, unless otherwise expressly agreed in a signed writing or in the Order. Where a trade term has not been agreed upon between the parties, it shall be interpreted in accordance with INCOTERMS 2020, or such subsequent INCOTERMS as are in force at the time the Order is made.
- 5.4. If payment for the Goods is made prior to delivery, title to the Goods shall pass to CARsgen once payment has been made and the Goods have been appropriated or allocated to CARsgen.

## 6. INSPECTIONS

- 6.1. The conformity and quality of the Goods and

Services provided shall be of the essence of the Supplier's obligations hereunder.

- 6.2. The Goods or Services, or any sample thereof, shall be of satisfactory quality and conform to applicable laws and regulations, relevant Orders and these General T&Cs. The Goods shall be free from defects in design, materials and workmanship. The Services shall be performed by qualified and trained personnel, with due care and diligence and to such high standard of quality as is reasonable and all equipment and materials provided will shall be maintained in first class condition by the Supplier at all times.
- 6.3. CARsgen reserves the right to request the replacement of any personnel, equipment or materials that do not comply with the foregoing provisions at the Supplier's expense.
- 6.4. For any Goods or Services that do not comply with the foregoing provisions, CARsgen may, at its sole discretion and at the Supplier's cost, require the Supplier to provide one or more of the following remedies: (i) reprovision of the service; (ii) correct the defect; or (iii) require the replacement of any personnel or Goods. If the Supplier fails to make remedy within two (2) weeks after written notice from CARsgen, the Supplier shall, at CARsgen's request, provide CARsgen with a refund of the non-conforming or defective Goods and Services.
- 6.5. All Goods and Services are to be accepted subject to CARsgen's rights of inspection, rejection, and revocation of acceptance. Payment for or use of any Goods prior to inspection shall not constitute acceptance thereof. Furthermore, any payments made shall not be deemed to prejudice any and all rights and claims that CARsgen may have against the Supplier. Any signature of a CARsgen representative on any shipping/receiving document shall not constitute acceptance of the Goods, Services, any other terms or conditions, or acknowledgement of the condition of the Goods, but shall merely acknowledge receipt of a shipment of Goods or performance of Services.

## 7. LIABILITY AND INDEMNIFICATION

- 7.1. Acceptance of the Order shall constitute an agreement by the Supplier to indemnify, defend, and hold harmless, CARsgen, its affiliates and CARsgen's successors and assigns ("CARsgen Indemnified Parties") from and against any and all liability, loss, damage, injury, actions, claims or demands and charges, costs and expenses, including but not limited to, attorneys' fees, internal processing expenses, rework and remanufacturing costs, incurred by or on account of failure of the Goods or Services to conform to the warranties contained herein or in the Order, or by reason of Supplier's breach of any of its obligations hereunder, or by reason of the negligence or willful misconduct of Supplier, its employees, representatives or agents. Such indemnity shall be in addition to any other

remedies available at law, in contract or in equity and shall survive termination of the Order.

- 7.2. The Supplier shall also, at its own expense, indemnify, defend and hold harmless the CARsgen Indemnified Parties from and against any suit or proceeding alleging or based on a claim that the Goods or any component part thereof or the Services provided hereunder infringe any patent or other intellectual property rights of any third party. The Supplier shall pay all damages, costs and attorneys' fees related to or arising out of any such suit or proceeding.
- 7.3. The Supplier acknowledges and agrees that any clause that limits its liability is not acceptable to CARsgen.

#### **8. CHANGES TO GOODS AND SERVICES**

- 8.1. The Supplier shall have an established change control and notification procedure to ensure that CARsgen is notified in the event of any changes. This procedure shall allow full traceability of all identified changes as well as an assessment of the potential impact of each change.
- 8.2. The Supplier shall notify CARsgen in writing at least six (6) months in advance of any permanent or temporary suspension or implementation of major changes in the production of Goods or performance of Services.
- 8.3. The Supplier shall notify CARsgen in writing at least three (3) months in advance of any implementation of minor changes in the production of Goods or performance of Services.

#### **9. WARRANTIES**

- 9.1. The Supplier warrants that all Goods are new, merchantable, safe, fit for their intended use, free from defects in workmanship and materials, and conform to specifications and any drawings, samples, or other descriptions referred to herein or applicable thereto. The Supplier hereby acknowledges that CARsgen may use the Goods for any lawful purpose, including future manufacturing activities of commercialized products.
- 9.2. The Supplier warrants to CARsgen that the Services performed will conform to the Order, and will be free from any defect, whether latent or apparent. CARsgen's acceptance of the Services performed by the Supplier shall not relieve the Supplier of its responsibility for any hidden or latent defects, regardless of when the defect is discovered.

#### **10. ASSIGNMENT**

The Supplier may not subcontract, assign or transfer this Agreement, in whole or in part, without CARsgen's prior written consent. Any purported assignment, transfer, or subcontract without such written consent shall be void and ineffective. No assignment or subcontract (even with CARsgen's consent) shall relieve the Supplier of any of its obligations under this

Agreement. Notwithstanding the foregoing, CARsgen may assign or transfer, in whole or in part, its rights and obligations under this Agreement without the Supplier's consent, to any affiliate, wholly-owned subsidiary or successor-in-interest; or to any third party with which it merges, or consolidates, or to which it transfers all or substantially all of its assets to which this Agreement relates.

#### **11. CONFIDENTIALITY**

The parties agree that any commercial, strategic or technical data or other information of the other party, including pricing, samples or other materials ("Confidential Information") that is disclosed to, or otherwise comes into the possession of the other party, whether orally or in writing or in any other form or medium, shall be treated as confidential and proprietary. Each party undertakes to keep all Confidential Information confidential and not to use or disclose the Confidential Information of the other party to any person except that it may (i) disclose such Confidential Information to any of its representatives who need to know the same for the purpose of performing any obligation under this Agreement, provided that such party shall ensure that any representative to whom Confidential Information is disclosed is aware of its confidential nature and agrees to comply with this clause as if it were a party; (ii) disclose any Confidential Information as may be required by law, by a court, or by any governmental regulatory or supervisory authority or any other authority of competent jurisdiction, provided that each party shall promptly notify the other party immediate notice of such legal requirement and shall cooperate fully with the other party's attempts to obtain a protective order.

#### **12. COMPLIANCE**

- 12.1. The Supplier hereby warrants and represents that the Goods and Services will comply with all international, federal, state or local laws, ordinances, regulations, codes or standards as specifically identified and agreed upon, in writing as part of the contract between the Supplier and CARsgen.
- 12.2. The Supplier represents, warrants, and covenants that it is an independent contractor and that it has not paid, offered or agreed to pay, authorized the payment of, or caused to be paid, directly or indirectly, any money or anything of value to any foreign official (as defined in the U.S. Foreign Corrupt Practices Act, as amended) in connection with the sale and delivery of the Goods and Services to CARsgen.
- 12.3. The Supplier represents and warrants that it is not on or affiliated with any organization on the United States Department of Commerce's Bureau of Industry and Security's Denied Persons List or Unverified List; the United States Department of

the Treasury's Office of Foreign Assets Control's list of Specially Designated Nationals, Specially Designated Global Terrorists, Specially Designated Narcotics Traffickers, Specially Designated Narcotics Traffickers-Kingpin, or Specially Designated Terrorists List; or the United States Department of State's list of Designated Foreign Terrorist Organizations, Embargoed Countries list, or Debarred Persons List.

12.4. The Supplier shall comply with all relevant laws and regulations of any governmental authority or agency, including but not limited to all applicable export control laws of the United States or any other governmental authority and its successors. The Supplier agrees to indemnify and hold CARsgen harmless from and against any and all costs, liabilities, penalties, sanctions and fines related to failure to comply with applicable export laws and regulations.

**13. APPLICABLE LAW AND JURISDICTION, WAIVER OF JURY TRIAL**

13.1. This Agreement shall be governed by the laws of the State of North Carolina, excluding its conflict of law provisions. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply. The Supplier and

CARsgen hereby unconditionally and irrevocably submit (and waive any objection on the grounds of inconvenient forum or otherwise) to the jurisdiction of the District Court of North Carolina, which shall have exclusive jurisdiction to adjudicate and determine any suit, action or proceeding concerning or relating to this Agreement.

13.2. The parties hereto agree that they hereby irrevocably waive the right to trial by jury in any action to enforce or interpret the provisions of this Agreement and any related agreements entered into by the parties.

**14. SEVERABILITY AND WAIVER**

The invalidity of any provisions hereof shall not affect the validity of any other provisions. CARsgen's waiver of, or failure to act with respect to, Supplier's breach of any provision of this Agreement, or CARsgen's failure to enforce any provision of this Agreement, shall not be deemed a waiver of future performance herewith or a course of performance modifying such provision, and such provision shall remain in full force and effect as written.

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