

TERMS AND CONDITIONS OF SALE FOR GARRETT- ADVANCING MOTION PRODUCTS (Rev 1 Oct 2018)

1. **APPLICABLE TERMS & CONDITIONS:** THESE TERMS AND CONDITIONS OF SALE TOGETHER WITH THE PROVISIONS CONTAINED IN GARRETT'S QUOTATION ESTABLISH THE RIGHTS, OBLIGATIONS AND REMEDIES OF THE APPLICABLE GARRETT SELLING ENTITY ("GARRETT") AND BUYER WHICH APPLY TO ANY ORDER ISSUED BY BUYER FOR THE PURCHASE OF GARRETT'S PRODUCTS OR SOFTWARE (COLLECTIVELY "PRODUCTS"), OR SERVICES ASSOCIATED TO THESE PRODUCTS, SUCH AS BUT NOT LIMITED TO DEVELOPMENT SERVICES ("SERVICES"). UNLESS OTHERWISE STATED IN A WRITTEN PURCHASE AGREEMENT SIGNED BY AUTHORIZED REPRESENTATIVES OF GARRETT AND BUYER AND COVERING THE SPECIFIC PRODUCTS THAT ARE THE SUBJECT OF ANY BUYER'S PURCHASE ORDER, GARRETT'S ACCEPTANCE THEREOF IS MADE EXPRESSLY CONDITIONAL ON ASSENT BY BUYER TO GARRETT'S QUOTATION AND THE TERMS AND CONDITIONS OF SALE INCLUDED HEREIN. NO ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS, WHETHER CONTAINED IN BUYER'S PURCHASE ORDER FORM OR ANY OTHER DOCUMENT OR COMMUNICATION PERTAINING TO BUYER'S ORDER, WILL BE BINDING UPON GARRETT UNLESS ACCEPTED IN WRITING, AND GARRETT HEREBY EXPRESSLY OBJECTS TO ANY SUCH TERMS AND CONDITIONS WHICH SHALL BE DEEMED INEFFECTIVE AND ARE REJECTED. **REFERENCES TO THIS "AGREEMENT" INCLUDE ANY APPLICABLE PURCHASE ORDER OR AGREEMENT.**
2. **DELIVERY/SHIPPING TERMS:** Delivery terms are FCA Garrett's facility (Incoterms 2010). Buyer is responsible for all duties, taxes, and other charges payable upon export. Delivery dates are estimated and not guaranteed. Garrett will schedule delivery in accordance with its standard lead time unless Buyer's Order requests a later delivery date or Garrett otherwise agrees in writing. Changes to delivery schedules within 6 weeks of delivery require prior written approval by Garrett. It is expressly understood that there is no deferred delivery or cancellation without Garrett's consent. Buyer agrees to pay Garrett all charges to change, expedite, or cancel all or any part of the Order. If Garrett prepays transportation charges or any special routing, packing, labeling, handling, or insurance requested by Buyer, Buyer will reimburse Garrett upon receipt of an invoice for those charges. Title will pass to Buyer upon delivery.
3. **ACCEPTANCE - PRODUCT:** Products are presumed accepted unless Garrett receives written notice of rejection from Buyer explaining the basis for rejection within 20 calendar days after delivery. Buyer must disposition rejected Product to Garrett in accordance with Garrett's written instructions. Garrett will have a reasonable opportunity to repair or replace rejected Products, at its option. Subject to the terms of the article titled "Taxes", Garrett assumes shipping costs in an amount not to exceed actual reasonable direct freight charges to Garrett's designated facility for the return of properly rejected Products. Buyer will provide copies of freight invoices to Garrett upon request. Following initial delivery, the party initiating shipment will bear the risk of loss or damage to Products in transit. If Garrett reasonably determines that rejection was improper, Buyer will be responsible for all expenses caused by the improper rejection
4. **PRICES, TAXES, DUTIES & ORDER SIZES:** All prices are in the applicable currency of the Garrett quotation, unless otherwise agreed by the parties and are based on delivery FCA Garrett's facility (Incoterms 2010). If, notwithstanding the provisions hereof, Buyer's terms and conditions of purchase are deemed to apply by a court of competent jurisdiction, then Garrett reserves the right to either (a) modify the prices (including retroactively) according to the additional level of risk and responsibility that Buyer's terms and conditions require Garrett to undertake; or (b) cancel the Agreement any time after such determination without liability for such termination other than for the Products already delivered on the terms set out herein. Prices do not include any charges for services such as packaging; insurance; or brokerage fees. Garrett's pricing excludes all taxes (including but not limited to, sales, use, excise, value-added, and other similar taxes), duties, tariffs and charges (collectively, "Taxes"). Buyer is responsible for all such Taxes resulting from this Agreement or as a result of Garrett's performance under this Agreement, whether imposed, levied, collected, withheld, or assessed now or later. If Garrett is required to impose, levy, collect, withhold or assess any Taxes on any transaction under this Agreement, then in addition to the purchase price, Garrett will invoice Buyer for the Taxes unless at the time of order placement Buyer furnishes Garrett with an exemption certificate or other documentation sufficient to verify exemption from the Taxes. If any Taxes are required to be withheld from amounts paid or payable to Garrett under this Agreement, such withholding amount will not be deducted from the amounts due Garrett as originally priced, Buyer will pay the Taxes on behalf of Garrett to the relevant taxing authority in accordance with applicable law and Buyer will forward to Garrett, within 60 days of payment, proof of Taxes paid sufficient to establish the withholding amount and the recipient. In no event will Garrett be liable for Taxes paid or payable by Buyer. Garrett reserves the right to establish minimum order sizes. Garrett reserves the right to change its prices if series production ends, or if, from the time of quotation (i) raw material and/or component prices have changed; or (ii) actual volume is less than forecast volume; or (iii) there is any significant change in economic circumstances.
5. **PAYMENT TERMS/SETOFF:** Payment is due 30 calendar days from the date of invoice. Payments must be made in the applicable currency quoted and must be accompanied by remittance detail containing at a minimum the invoice number and amount paid per invoice. Payments must be in accordance with the "Remit To" field on each invoice. If Buyer is delinquent in payment to Garrett, Garrett may at its option (a) stop work and withhold future shipments until all delinquent amounts and late interest, if any, are paid; (b) repossess Products or Software for which payment has not been made; (c) charge interest on delinquent amounts at the lower of 1.5% per month or the maximum rate permitted by law for each full or partial month; (d) recover all costs of collection, including but not limited to reasonable attorneys' fees; (e) combine any of the above rights and remedies as may be permitted by applicable law. These remedies are in addition to those available at law or in equity. Garrett may re-evaluate Buyer's credit standing at any time and modify or withdraw credit terms. Buyer may not set off any invoiced amounts against sums that are due to Garrett.
6. **CHANGES:** Buyer may request changes to the scope of any Order subject to written acceptance by Garrett. Garrett will inform the Buyer if the change causes a price modification or schedule adjustment. The change will be effective and Garrett may begin performance upon the Parties' authorized signature of the change order and receipt of Buyer's amended Order.
7. **BUYER CAUSED DELAY:** Garrett will not be liable for any delays or increased costs caused by a failure of Buyer, such as delays in providing necessary information or other Buyer deliverables or delays by Buyer designated suppliers in providing goods or services. In the event of a non-force majeure Buyer-caused delay, the price and other affected terms will be adjusted accordingly to reflect Garrett's increased costs and other adverse impacts associated with such delay. In addition, if delivery of goods or services are delayed due to the acts or omissions of Buyer or Buyer-designated suppliers, Garrett may store the goods at Buyer's risk and expense and, may invoice Buyer just as if there had been no delay in delivery.
8. **EXCUSABLE DELAY (FORCE MAJEURE):** Except for payment obligations, neither party will be liable to the other for any failure to meet its obligations due to any Force Majeure event Force Majeure is an event beyond the reasonable control of the non-performing Party and may include but is not limited to: (a) delay or refusal to grant an export license or the suspension or revocation thereof, (b) any other act of any government that would limit a party's ability to perform the Agreement, (c) fires, earthquakes, floods, tropical storms, hurricanes, tornadoes, severe weather condition, or any other acts of God, (d) quarantines or regional medical crisis, (e) labor strike or lockout, (f) riots, strife, insurrection, civil disobedience, landowner disturbance, armed conflict, terrorism or war, declared or not (or impending threat of any of the foregoing, if such threat might reasonably be expected to cause injury to people or property), and (g) shortages or inability to obtain materials or components. If a force majeure event causes a delay, then the date of performance will be extended by the period of time that the non-performing party is actually delayed, or for any other period as the parties may agree in writing.
9. **HARDSHIP:** If for any reason, Garrett's production or purchase costs for the Product (including without limitation costs of energy, equipment, labor, regulation, transportation, raw material or Product) increases by more than 10% over Seller's production or purchase costs for the Product on the date of entering into this Agreement, then Garrett may, by written notice to Buyer of such increased costs, request a renegotiation of the price of the Product under this Agreement. In the event the Parties are not able to agree on a revised Product price within 30 days after a request for renegotiation is given, then Garrett may terminate this Agreement on 30 days written notice to Buyer.
10. **SPECIAL TOOLING:** Special Tooling includes, but is not limited to, jigs, dies, fixtures, molds, patterns, special taps, special gauges, special test equipment, other special equipment and manufacturing aids and replacement items, now existing or created in the future, together with all related specifications, drawings, engineering instructions, data, material, equipment, software, processes, and facilities created or used by Garrett in the performance of its obligations under this Agreement. Garrett owns all Special Tooling, except to the extent an authorized representative of Garrett specifically transfers title for any Special Tooling in writing to Buyer. Any transfer of title to Special Tooling does not include transfer of Garrett's intellectual property used to create or that may be embodied in the Special Tooling, other than a license to use the Special Tooling and Garrett retains the right to use Special Tooling to which title has been transferred for purposes of manufacturing and selling Goods to the Independent Aftermarket. This license to use does not include the right to reproduce the Special Tooling unless specifically authorized by Garrett.
11. **LIMITED WARRANTY/RECALL:**
- 11.1 Definitions.

"Product" for the purposes of this Article means end items, and replaceable components thereof, including those returned for exchange.

"Nonconformance" means failure to comply with the Limited Warranty (as defined in section 11.2) within the Warranty Period. Normal wear and tear, regular overhaul, and periodic maintenance do not constitute Nonconformance. Products in which there is no defect found will not be considered Nonconforming.

The "Warranty Period" for all Products shall begin on the later of (i) the date on which the Product first enters a retail distribution/sales channel, or (ii) the date of delivery to the end user provided Buyer presents the end user's retail invoice demonstrating such date of delivery. The "Warranty Period" shall end on the earlier of the date indicated in the third column of the chart below ("a", "b", or "c") for the applicable Product. In no case shall the Warranty Period extend beyond the date indicated by "c" in the third column of the chart.

Application	Product Type	Warranty Period = The Shorter of	Custom Channel
Service/Aftermarket ^{4, 5, 3}	Turbocharger	(a) 12 months; (b) 100,000 km; or (c) 18 months from Garrett's delivery to Buyer	Service/Aftermarket
Class 1-6 [26,000 lbs or less Gross Vehicle Weight (GVW ¹)] ^{3, 5}	Turbocharger	(a) 24 months; (b) 100,000 km; or (c) 30 months from Garrett's delivery to Buyer	OEM
Class 7-8 Trucks ^{3, 5} [26,001lbs and up GVW ¹]	Turbocharger	(a) 24 months; (b) 200,000 km; or (c) 30 months from Garrett's delivery to Buyer	OEM
Off-Highway ^{2, 5}	Turbocharger	(a) 12 months; (b) 4000 hours; or (c) 18 months from Garrett's delivery to Buyer	OEM
Passenger Cars/Vehicles ^{5, 3}	Turbocharger	(a) 24 months (b) 100,000 km; or (c) 30 months from Garrett's delivery to Buyer	OEM
Off-Highway	Thermal Product	(a) 12 months; (b) 2,000 hrs; or (c) 18 months from Garrett's delivery to Buyer	Service/Aftermarket
Off-Highway	Thermal Product	(a) 24 months (b) 4,000 hrs; or (c) 30 months from Garrett's delivery to Buyer	OEM
On-Highway	Thermal Product	(a) 24 months (b) 200,000 km; or (c) 30 months from Garrett's delivery to Buyer	OEM
Basic Standard	Thermal Product	(a) 12 months (b) 100,000 km; or (c) 18 months from Garrett's delivery to Buyer	Service/Aftermarket

¹ Gross Vehicle Weight (GVW) is defined as the gross weight of the loaded vehicle

² Includes Marine and Industrial

³ Except for Passenger Cars, Commercial Vehicles, and Aftermarket turbochargers that are used in the People's Republic of China: Passenger Cars may be limited to 60,000 KM. Commercial Vehicles warranty is case-by-case.

⁴ All Independent Aftermarket turbochargers sold by Garrett Brazil will have the Warranty Period specified in the certificate that ships with the turbocharger.

⁵ Turbochargers for OEM or OES applications sold by Garrett Brazil will have a Warranty Period that equals the shorter of a) one year; or b) 100,000 km.

11.2 Garrett warrants to Buyer that at the time of shipment and for the Warranty Period: (i) the Product will be free from defects in workmanship and materials, and (ii) the Product will comply with the drawings, specifications, vehicle applications, and vehicle operating conditions set forth in the applicable mutually agreed and signed Turbocharger or Thermal Release Agreement ("TRA"). If a TRA is not signed by the Parties, then warranty is limited to (i) only.

11.2.1 Services will be performed in a competent and professional manner, by qualified personnel under the direction of and control of Garrett, and in accordance with industry standards.

11.3 This Limited Warranty does not apply to prototype, development, and pre-production products. All prototype, development, and pre-production Products are accepted by Buyer on an "AS IS" basis with no warranties whatsoever. Furthermore, Garrett shall not be responsible for any Nonconformance if the Product has been exposed or subjected to any:

- a) use of the Product on an engine, vehicle, or vehicle application other than specified in the applicable agreed and signed TRA; or

- b) operation of an engine, vehicle, or vehicle application outside of the limits and operating parameters including, but not limited to, pressures, rotational speed, or temperature specified in the applicable agreed and signed TRA; or
- c) maintenance, repair, overhaul, installation, storage, operation or use, which is improper or not in accordance with Garrett's instructions, manuals, or specifications; or
- d) use of the Product in racing or competition vehicles of any kind, or for other than automotive purposes such as but not limited to aerospace or marine use, or other use exceeding the limitations established by Garrett, or are installed on engines, or vehicles, or vehicle applications not specifically approved by Garrett; or
- e) alteration, modification, including by "tuning," or repair by anyone other than Garrett or those specifically authorized by Garrett;
- f) accident, contamination, foreign object damage, abuse, neglect or negligence after shipment to Buyer; or
- g) use of counterfeit or replacement parts that are not manufactured or approved by Garrett for use in Garrett's manufactured Products; or
- h) damage caused by failure of any hardware or software not supplied by Garrett or a Garrett supplied Product not under warranty.

11.4 This Limited Warranty shall not apply to ordinary or normal wear and tear resulting from use of the Product during the Warranty Period including without limitation any failure of the product to meet calibration settings in the TRA or other tolerances set forth in applicable drawings. It is the responsibility of the Buyer to conduct testing to ensure that the engine or application in which Garrett's turbochargers or thermal Products are installed meet emission standards or any other relevant standards notwithstanding normal or ordinary wear and tear.

11.5 For this Limited Warranty to apply, Buyer must notify Garrett of any claimed Nonconformance in writing by returning a Returned Material Authorization Form ("RMA Form") to Garrett.

- a) The RMA Form must be received by Garrett within ninety (90) days of Buyer's discovery of any claimed Nonconformance and must contain a detailed description of any claimed Nonconformance or Buyer will be barred from any remedy under this Limited Warranty.
- b) Upon Garrett's receipt of Buyer's completed RMA Form, Garrett will provide Buyer with a Returned Material Authorization Number ("RMA#"). Buyer must await its receipt of the RMA# before returning any Product to Garrett. Garrett will return, at Buyer's expense, any Product not properly identified or associated with an RMA#.
- c) When Garrett requires the examination of claimed nonconforming Product, Garrett will notify Buyer as to the place of return and will await receipt of the claimed nonconforming Product before further processing the warranty claim. Buyer will ship the Product by normal ground shipment and bear the cost of shipment and risk of loss or damage to Products while in transit to Garrett. If Garrett determines that the failed part is covered under this Limited Warranty, Garrett will reimburse Buyer for the cost of ground shipment for the Product(s) found to be in Nonconformance. If Garrett reasonably determines after analysis of the returned Product that a Nonconformance does not exist, then Buyer will pay all expenses related to the improper return including, but not limited to, analysis and shipping charges.
- d) Any claimed nonconforming Product must be received by Garrett within 30 days of issuance of a notice to return Product.

11.6 If Garrett determines that a Product does not conform to this Limited Warranty, Garrett may elect, in its sole discretion, to repair or replace the Product, or credit the original purchase price. In addition, Garrett will credit Buyer for standard labor and handling costs (to be agreed case by case) per applicable Product. Repair, Replacement, or credit of the original purchase price and standard labor and handling costs are the exclusive remedies under this Limited Warranty. All Products repaired or replaced are warranted for the unexpired portion of the original Warranty Period. In no event shall Garrett's liability exceed the aggregate sum equal to twice the amount actually paid to Garrett for Products subject to Buyer's warranty claims.

If this Agreement is subject to Swiss law the above-mentioned Limited Warranty does not apply in the case of Garrett's unlawful intent or gross negligence. The Limited Liability will apply, however, to the unlawful intent or gross negligence of the auxiliary persons of Garrett. Subject to applicable law, certain limitations on the Limited Warranty may not apply

- 11.7 All credits of purchase price issued under this Limited Warranty will be accomplished only through Garrett's issuance of a credit to the Buyer's account. Under no circumstance will Buyer debit or short-pay Garrett invoices.
- 11.8 Buyer assumes all risks and responsibility for the Product purchased hereunder and agrees to indemnify and hold harmless Garrett against any and all claims and/or liability for damages to property or injury to persons arising from the use and/or operation of such Product if such Product, (i) has been or is being used in racing boats or racing vehicles of any kind, (ii) has been or is being used in contests or other use which imposes unusual loads upon the Product, (iii) is subjected to pressures, rotational speed, or temperature higher than those in which the Product is designed to operate, (iv) is subjected to any condition which imposes stresses upon the Product in excess of limitations set forth by Garrett, or (v) if the Product has been or is mounted in such a manner as to be exposed to or does in fact come into contact with water, spray, mud, or other liquid or viscous substance(s) during operation of the Product, and Buyer agrees to reimburse Garrett for all reasonable costs, including attorney fees, incurred by Garrett in defending against any claim based on any of the above occurrences or conditions.
- 11.9 Garrett has no obligation under this Limited Warranty unless Buyer maintains records that accurately document operating time, maintenance performed and the nature of the unsatisfactory condition of Garrett's Product. Upon Garrett's request, Buyer will give Garrett access to these records for substantiating warranty claims.
- 11.10 In the event of any accident, occurrence or warranty claim concerning the Product, Buyer must notify Garrett promptly in writing and permit Garrett to preserve evidence, test the Product, and investigate the cause thereof. Buyer shall give Garrett prompt and continuing access to the Product for inspection and testing, to the environment and location of the Product, and shall cooperate with Garrett by promptly furnishing all relevant information, data, test results, witnesses, and other information relative to any occurrence, accident or claimed Nonconformance in the Product. Failure of Buyer to give prompt notice as required herein or to cooperate in the investigation of an occurrence, claim or accident concerning the goods, shall bar Buyer from any remedy against Garrett.
- 11.11 THESE LIMITED WARRANTIES AND REMEDIES ARE THE ONLY WARRANTIES AND REMEDIES AND ARE IN LIEU OF ALL OTHER WARRANTIES APPLICABLE TO THE PRODUCT. ALL OTHER WARRANTIES, WHETHER WRITTEN, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE ARE DISCLAIMED. NO EXTENSION OR MODIFICATION OF THIS WARRANTY WILL BE BINDING UPON GARRETT UNLESS SET FORTH IN WRITING AND SIGNED BY GARRETT'S AUTHORIZED REPRESENTATIVE.
- 11.12 ANY LEGAL ACTION BROUGHT FOR BREACH OF THIS WARRANTY MUST BE BROUGHT WITHIN THE EARLIER OF (i) ONE YEAR AFTER THE END OF THE APPLICABLE WARRANTY PERIOD, OR (ii) ONE YEAR AFTER THE CLAIMED NONCONFORMANCE WAS DISCOVERED BY BUYER.
- 11.13 If Buyer believes a recall is required by law and, in whole or in part, is caused by the Products, Buyer shall give prompt written notice to Garrett, keep Garrett fully informed and consult with Garrett on the actions to be taken. Buyer shall not respond to any Federal or State inquiries relating to the Product without first consulting with Garrett. Prior to any recall involving the Products, Garrett will be given the right to perform a full investigation, and copies of all reports, analysis, and test performed by or on behalf of the Buyer on the Products will be provided to Garrett. Buyer shall give Garrett its full support for Garrett's investigation. If a recall is determined to be legally required, both parties agree to negotiate a fair and equitable reimbursement of a share of Buyer's direct expenses incurred for the recall. The allocation shall take into consideration the portion of each party's responsibility, the cost of the Products involved, the other cause(s) of the recall and the evidence concerning the recall and its cause(s). In no event shall Garrett be liable for mark-ups or profit margins normally accruing to Buyer or its customers in the provision of

replacement parts unless required by applicable law, nor for costs of handling, administration, customer inducement or incentives, nor for incidental, consequential or punitive damages including, but not limited to, loss of use, loss of goodwill, loss of profits or similar type damages, whether incurred by Buyer or its customers. This provision is also subject to the Limitation of Liability set forth in Section 13.

12. **PATENT/ COPYRIGHT INDEMNIFICATION:** Garrett will defend any suit against the Buyer arising out of any actual or alleged patent or copyright infringement of a valid patent or copyright, to the extent based on the Product as delivered by Garrett, and indemnify for any final judgment assessed against Buyer resulting from such suit provided that Buyer notifies Garrett at such time as it is apprised of the third-party claim, and agrees to give sole and complete authority, information and assistance (at Garrett's expense) for the defense and disposition of the claim. Garrett will not be responsible for any compromise or settlement made without Garrett's written consent. Garrett will have no obligation or liability with respect to: (a) Products provided pursuant to Buyer's designs, drawings or manufacturing specifications; (b) Products used other than for their ordinary purpose; (c) claims of infringement resulting from combining any Product furnished hereunder with any article not furnished by Garrett; (d) use of other than the latest version of software Product released by Garrett; or (e) any modification of the Product other than a modification by Garrett.
- Further, Buyer agrees to indemnify and defend Garrett to the same extent and subject to the same restrictions set forth in Garrett's obligations to Buyer as set forth in this Article for any suit against Garrett based upon a claim of infringement resulting from (a), (b), (c), (d) or (e) of the preceding paragraph. Because Garrett has exclusive control of resolving infringement claims hereunder, in no event will Garrett be liable for Buyer's attorney fees or costs. If a claim is made against a Product, or if Garrett believes that such a claim is likely, Garrett may, at its option, and at its expense, (i) procure for Buyer the right to continue using the Product; (ii) replace or modify the Product so that it becomes non-infringing; or (iii) accept return of the Product, or terminate Buyer's license to use the infringing Product, and grant Buyer a credit for the purchase price or license fee paid for such product, less a reasonable depreciation for use, damage, and obsolescence. Further, if a claim of patent or copyright infringement is made against a Product, or if Garrett believes that such a claim is likely, Garrett may cease shipping infringing Products without being in breach of this Agreement. Any liability of Garrett under this Article is subject to the provisions of the "Limitations of Liability" Article of this Agreement. This Article states the parties' entire liability, sole recourse and their exclusive remedies with respect to infringement. All other warranties against infringement of any intellectual property rights, statutory, express or implied are hereby disclaimed.
13. **LIMITATION OF LIABILITY:** IN NO EVENT WILL GARRETT BE LIABLE FOR ANY INCIDENTAL DAMAGES, CONSEQUENTIAL DAMAGES, SPECIAL DAMAGES, PUNITIVE DAMAGES, STATUTORY DAMAGES, INDIRECT DAMAGES, LOSS OF PROFITS, LOSS OF REVENUES, LOSS OF USE, OR DAMAGE TO GOODWILL OR BRAND NAME OR SUBSTANTIALLY SIMILAR TYPE DAMAGES, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES. GARRETT'S LIABILITY FOR DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL IN NO CASE EXCEED IN THE AGGREGATE A SUM EQUAL TO TWICE THE AMOUNT ACTUALLY PAID TO GARRETT FOR THE PRODUCTS FROM WHICH THE CLAIM AROSE OR IN THE CASE OF SERVICES THE AMOUNT ACTUALLY PAID TO GARRETT. FURTHER, IF BUYER REQUIRES GARRETT TO USE A PARTICULAR SUPPLIER OR SUPPLIERS, THEN GARRETT SHALL HAVE NO LIABILITY FOR THE SUPPLIER(S) PERFORMANCE, NOR FOR ANY DAMAGES CAUSED DIRECTLY OR INDIRECTLY BY GARRETT'S PRODUCT OR SERVICES TO THE EXTENT RESULTING FROM INCORPORATION OF SUCH SUPPLIER(S) PRODUCT OR SERVICES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THESE LIMITATIONS AND EXCLUSIONS WILL APPLY REGARDLESS OF WHETHER LIABILITY ARISES FROM BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE), BY OPERATION OF LAW, OR OTHERWISE. NOTHING HEREIN, HOWEVER, IS INTENDED TO DISCLAIM GARRETT'S LIABILITY FOR PERSONAL INJURY OR DEATH CAUSED BY DEFECTIVE PRODUCTS TO THE EXTENT SUCH LIABILITY IS MANDATED BY APPLICABLE LAW.
14. **INTELLECTUAL PROPERTY:** Neither Party shall be required to assign or license Intellectual Property (including but not limited to inventions, patents, designs, trade secrets, copyrights and trademarks) used in or developed for the Products or created previously or resulting from any Services provided, regardless of any financial contributions each may make toward such development or Services. No development work or Services work in support of this Agreement shall be considered "work for hire."
15. **TRADEMARKS AND OTHER LABELS:** Buyer agrees not to remove or alter any indicia of manufacturing origin or patent numbers contained on or within the

Products, including without limitation the serial numbers or trademarks on nameplates or cast or machined components.

16. **SOFTWARE LICENSE:** Software, if included in the Agreement, is hereby licensed and not sold. The license is nonexclusive, and is limited to such equipment and/ or location(s) as are specified in the Agreement. No other use is permitted and Garrett retains for itself (or, if applicable, its suppliers) all title and ownership to any software delivered hereunder, all of which contains confidential and proprietary information and which ownership includes without limitation all rights in patents, copyrights, trademarks and trade secrets. Buyer shall not attempt any sale, transfer, sublicense, reverse compilation or disassembly (save to the extent expressly permitted by law) or redistribution of the software. Nor shall Buyer copy, disclose or display any such software, or otherwise make it available to others (except as Garrett authorizes in writing).

17. **CONFIDENTIALITY:**

17.1 "Proprietary Information" means: 1) any information, technical data or know-how in whatever form, including, but not limited to, documented information, machine readable or interpreted information, information contained in physical components, mask works and artwork, that is clearly identified as being confidential, proprietary or a trade secret, 2) business related information including but not limited to pricing, manufacturing, or marketing, 3) the terms and conditions of any proposed or actual agreement between the parties, 4) either party's business policies, or practices, and 5) the information of others that is received by either party under an obligation of confidentiality. The receiving party will keep all Proprietary Information disclosed hereunder confidential for 10 years following the expiration, termination, or completion of the work of this Agreement whichever period is longer. Each party will retain ownership of its Proprietary Information including, without limitation, all rights in patents, copyrights, trademarks and trade secrets. No right or license is granted hereby to either Party or its customers, employees or agents, expressly or by implication, with respect to the Proprietary Information or any patent, patent application or other proprietary right of the other Party, notwithstanding the expiration of the confidentiality obligations stated in this clause. Garrett agrees to use the Proprietary Information of Buyer only to provide products or services for Buyer from Garrett and not from any other source. Buyer agrees that it will not use or disclose Garrett's Proprietary Information for any other purpose. The receiving Party has no duty to protect information that is proven by written records to be: (a) publicly known at the time of disclosure or becomes publicly known through no fault of recipient, (b) known to recipient at the time of disclosure through no wrongful act of recipient, (c) received by recipient from a third party without restrictions similar to those in this section, or (d) independently developed by recipient.

17.2 Personal Data" means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his physical, physiological, mental, economic, cultural or social identity. Buyer will: (a) treat Personal Data of all Garrett personnel and prospective Garrett personnel as Confidential Information; (b) take appropriate technical and organizational security measures as are required by Garrett or applicable law to protect Personal Data; (c) use and permit employees and third parties to use Personal Data pursuant to Garrett's instructions only for purposes directly related to the performance of obligations under this Agreement; (d) refrain from transferring Personal Data out of the European Union unless Garrett has given its prior consent to the transfer and Buyer has satisfied any further requirements reasonably imposed by Garrett or applicable law; (e) indemnify Garrett against all losses, costs, expenses, damages, liabilities, demands, claims, actions or proceedings which Garrett may suffer or incur arising out of any breach of this Article 17.2; and (f) promptly notify Garrett about: any legally binding request for disclosure of Personal Data by a law enforcement agency (unless otherwise prohibited); any accidental or unauthorized processing of Personal Data; and any requests received from individuals to whom Personal Data relates, without responding to that request unless it has been otherwise authorized to do so by Garrett

18. **EXPORT AND IMPORT COMPLIANCE:** Buyer is responsible for compliance with all applicable import and export control laws and regulations. In the case of an international transaction Garrett will obtain all required export licenses for the initial delivery. Buyer must obtain, at its sole cost and expense, all import, and re-export approvals and licenses required for Products, transfers, services and technical data. Buyer will retain documentation evidencing compliance with those laws and regulations.

Garrett will not be liable to Buyer for any failure to provide Products, services, transfers or technical data because of government actions that impact Garrett's ability to perform, including:

- (1) The failure to provide or the cancellation of export or re-export licenses;
- (2) Any interpretation of applicable import, transfer, export or re-export law or regulation after the date of any order or commitment that has a material adverse effect on Garrett 's performance; or
- (3) Delays due to Buyer's failure to follow applicable import, export, transfer, or re-export laws and regulations.

If Buyer designates the freight forwarder for export shipments, then Buyer's freight forwarder will export on Buyer's behalf and Buyer will be responsible for any failure of Buyer's freight forwarder to comply with all applicable export requirements. Garrett will provide Buyer's designated freight forwarder with required commodity information.

19. **COMPLIANCE WITH LAWS:** Buyer shall comply with all local laws and regulations applicable to the installation, use, or import of all Products delivered hereunder. As a condition of purchase, Buyer shall comply with all applicable export control laws and regulations of the United States, the European Union and any other country having proper jurisdiction and shall obtain all necessary export licenses in connection with any subsequent export, re-export, transfer and use of all Products and technology delivered hereunder. Buyer shall not sell, transfer, export or re-export any Garrett Products or technology for use in activities which involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles, nor use Garrett Products or technology in any facility which engages in activities relating to such weapons.

20. **TERMINATION:** Either party may terminate this Agreement and any or all unperformed Orders by giving written notice to the other party upon the occurrence of any of the following events:

- (a) Except as otherwise provided in (b), the other party materially breaches this Agreement and fails to remedy the breach within 60 calendar days after receipt of written notice that specifies the grounds for the material breach;
- (b) the other Party fails to make any payment required to be made under this Agreement when due, and fails to remedy the breach within 3 calendar days after receipt of written notice of non-payment; or
- (c) any insolvency or suspension of the other Party's operations or any petition filed or proceeding made by or against the other Party under any state, federal or other applicable law relating to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors or other similar proceedings.

Termination does not affect any debt, claim or cause of action accruing to any party against the other before the termination. The rights of termination provided in this clause are not exclusive of other remedies that either party may be entitled to under this Agreement or in law or equity.

21. **ASSIGNMENT:** Neither party will assign any rights or obligations under this Agreement without the advance written consent of the other party, which consent will not be unreasonably withheld. Either party may assign this Agreement to any affiliate of such party or in connection with the sale or transfer of all or substantially all of the assets of the product line or business to which it pertains. Any attempt to assign or delegate in violation of this clause will be void.

22. **WAIVER:** The failure of either party to enforce at any time any provision of this Agreement will not be construed to be a continuing waiver of those provisions.

23. **HEADINGS AND CAPTIONS:** Headings and captions are for convenience of reference only and do not alter the meaning or interpretation of this Agreement.

24. **PUBLICITY:** Neither party will issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of the other party. A party's approval will not unreasonably be withheld, except that either party may make any public disclosure it believes in good faith is required by applicable law or any listing or trading agreement concerning its or its affiliates' publicly-traded securities. Notwithstanding the foregoing, if either party, or a third party, makes a public disclosure related to this Agreement that is false or damaging to a party, the aggrieved party will have the right to make a public response reasonably necessary to correct any misstatement, inaccuracies or material omissions in the initial and wrongful affirmative disclosure without the approval of the other party. Neither party will be required to obtain consent pursuant to this section for any proposed release or announcement that is consistent with information that has previously been made public without breach of its obligations under this clause.

25. **DISPUTE RESOLUTION – CHOICE OF LAW AND FORUM:**

- A. If the Garrett selling entity is a legal entity formed in Switzerland, or a member state of the European Union other than the United Kingdom, then the construction, interpretation and performance hereof and all transactions hereunder shall be governed by the laws of Switzerland including the UN Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto), and the courts of Lausanne, Switzerland shall have exclusive jurisdiction of any dispute.
- B. If the Garrett selling entity is a legal entity formed in the United States, then the construction, interpretation and performance hereof and all transactions hereunder shall be governed by the laws of the State of New York, U.S.A. without regard to or application of its principles or laws regarding conflicts of laws, and including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute not resolved by the parties shall be subject to the exclusive jurisdiction of the courts of New York, New York.
- C. If both parties are legal entities formed in The People's Republic of China, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of The People's Republic of China without regard to or application of its principles or laws regarding conflicts of laws, and including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute not resolved by the parties through consultations shall be submitted to the China International Economic Trade Arbitration Commission in Beijing (CIETAC) for arbitration which shall be conducted in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. The arbitral award is final and binding upon both parties. In any arbitration there shall be three (3) arbitrators. Each Party shall select and appoint one (1) arbitrator within thirty (30) days after the date of a request for arbitration. The third arbitrator shall be jointly selected and appointed by the Parties. If the Parties fail to select and appoint the third arbitrator, the Chairman of CIETAC shall select the third arbitrator. If a Party does not select and appoint an arbitrator within thirty (30) days after the selection and appointment of the first arbitrator, the relevant selection and appointment shall be made by the Chairman of CIETAC. Either party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrators' determination of the merits of the controversy.

If the Buyer is not a legal entity formed in The People's Republic of China, but the Garrett selling entity is, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of Singapore without regard to or application of its principles or laws regarding conflicts of laws, and including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of, or in connection, with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the SIAC Arbitration Rules for the time being in force, which rules are deemed to be incorporated herein by reference in this Article. The seat of arbitration shall be Singapore. The Tribunal shall consist of three (3) arbitrators. The language of the arbitration shall be English. Either party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that part, pending the arbitrators' determination of the merits of the controversy.

- D. If both parties are legal entities formed in Japan, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of Japan without regard to or application of its principles or laws regarding conflicts of laws, and including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute, controversies or differences which may arise between the parties hereto, out of or in relation to, or in connection with this Agreement shall be finally settled by arbitration in Tokyo in accordance with the

Commercial Arbitration Rules of the Japan Commercial Arbitration Association.

- E. If the Garrett selling entity is a legal entity formed in Japan and the Buyer is not a legal entity formed in Japan, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of Singapore without regard to or application of its principles or laws regarding conflicts of laws, and including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of or in connection with this Agreement, including any question regarding the existence, validity or termination shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the SIAC Arbitration Rules for the time being in force, which rules are deemed to be incorporated by reference in this Article. The seat of arbitration shall be Singapore. The Tribunal shall consist of three (3) arbitrators. The language of the arbitration shall be English. Either party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that part, pending the arbitrators' determination of the merits of the controversy.
- F. If both parties are legal entities formed in the Republic of Korea, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of the Republic of Korea without regard to or application of its principles or laws regarding conflicts of laws, and including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute not resolved by the parties shall be subject to binding arbitration in accordance with the rules of the Korean Commercial Arbitration Board. The place of arbitration shall be Seoul. Either party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that part, pending the arbitrators' determination of the merits of the controversy.
- If the Buyer is not a legal entity formed in Korea, but the Garrett selling entity is, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of Singapore without regard to or application of its principles or laws regarding conflicts of laws, and including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the SIAC Arbitration Rules for the time being in force, which rules are deemed to be incorporated by reference in this Article. The seat of the arbitration shall be Singapore. The Tribunal shall consist of three (3) arbitrators. The language of the arbitration shall be English. Either party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party may also, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property or that party, pending the arbitrator's determination of the merits of the controversy.
- G. If the Garrett selling entity is a legal entity formed in Australia, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of New South Wales including the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto). In case any dispute shall arise from, out of, or in connection with this Agreement, either party may submit the dispute for arbitration administered by the Australian Commercial Disputes Centre ("ACDC") for final resolution. The arbitration shall be conducted by a single arbitrator in accordance with the ACDC Rules or Arbitration as then in force, which are deemed to be incorporated in this Agreement. The language of the arbitration shall be English. The place of arbitration shall be Sydney, Australia.
- H. If the Garrett selling entity is a legal entity formed in India, then the construction, interpretation, and performance hereof and all transactions hereunder shall be governed by the laws of India without regard to or application of its principles or laws regarding conflicts of laws, and including the UN Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of or relating to this Agreement, including the breach, termination or validity thereof, will be finally resolved by a panel of three arbitrators in accordance

with the Rules of Arbitration of the London Court of International Arbitration. Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration will be London, England. The language of the arbitration will be English. Any award will be payable in the currency of this Agreement. Either party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrators' determination of the merits of the controversy.

- I. If the Garrett selling entity is a legal entity formed in Brazil, then the construction, interpretation and performance hereof and all transactions hereunder shall be governed by the laws of the Federative Republic of Brazil without regard to or application of its principles or laws regarding conflicts of laws, and including the UN Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of or relating to this order shall be settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce – ICC in the context of an arbitration administered by the Brazil-Canada Chamber of Commerce, and judgment on the award rendered by the arbitrators may be entered into in any court having jurisdiction thereof. If the chosen rules are silent they shall be supplemented by the Brazilian procedural laws, namely the relevant provisions of Federal Law No. 9,307, of September 23, 1996, and those of the Brazilian Civil Procedure Code. The arbitration tribunal shall consist of three (3) arbitrators, of whom one (1) shall be nominated by Garrett, one (1) by the Buyer and the third, who shall serve as chairman, shall be chosen by the two Party-nominated arbitrators, or, in the event the party-appointed arbitrators are unable to designate the third arbitrator, the third arbitrator shall be appointed within the subsequent period of (10) ten days in accordance with the rules of the ICC. The place of arbitration shall be the City of São Paulo, State of São Paulo, Brazil. The language of the arbitration shall be English. The award of the arbitrators shall be final and binding. The Parties waive any right to appeal, to the extent that a right to appeal may lawfully be waived. Each Party retains the right to seek judicial assistance: (a) to compel arbitration; (b) to obtain interim measures of protection rights prior to institution of pending arbitration and any such action shall not be construed as a waiver of the arbitration proceedings by the Parties; and (c) to enforce any decision of the arbitrators, including the final award. In case the Parties seek judicial assistance, the Central Courts of the City of São Paulo shall have jurisdiction.
 - J. If a dispute shall be resolved by arbitration as per this Section, and the dispute or response to any dispute, includes an allegation that potentially concerns whether any intellectual property right owned, controlled or licensable by either party is invalid, unenforceable or infringed or misappropriated, or is otherwise limited in scope or application, then either party may, in its sole discretion, elect to have such dispute adjudicated before a court of competent jurisdiction and this Section shall not be binding on either party with respect to such dispute in its entirety or any related dispute, including any portions of such dispute that do not concern intellectual property rights.
 - K. For those Garrett selling entities from countries not identified above, the laws of the country, and if applicable, state or province of the Garrett selling entity issuing the purchase order will apply.
26. **SEVERABILITY:** If any provision or portion of a provision of this Agreement is determined to be illegal, invalid, or unenforceable, the validity of the remaining provisions will not be affected. The parties may agree to replace the stricken provision with a valid and enforceable provision.
 27. **SURVIVAL:** Provisions of this Agreement which by their nature should continue in force beyond the completion or termination of this Agreement will remain in force.
 28. **GARRETT'S RIGHTS:** The rights and remedies reserved to Garrett herein shall be cumulative and in addition to all other rights and remedies in law or equity.

Certain translations are available upon request. In case of ambiguity between English and translated versions, the English version prevails.