

ADDENDUM (FOR INDIA) TO THE GENERAL TERMS AND CONDITIONS OF NEXTEER AUTOMOTIVE

Operating under the following legal entities:

Nexteer Automotive India Private Limited

[Effective 1st July 2017]

This Addendum between Buyer and Seller constitutes an addendum to the Contract referred in Section 1 of the General Terms and Conditions of Nexteer Automotive. All capitalized undefined terms used in this Addendum shall have the meanings given to them in the General Terms and Conditions of Nexteer Automotive. It governs all purchase orders or long term contracts entered into between the above referenced Nexteer entity as Buyer and Seller related to any Goods or Services to be provided by Seller to Buyer.

Seller and Buyer now desire to amend the Contract in the respects, but only in the respects, hereinafter set forth below.

Article 2 – Shipping, Billing and Price – Price

Section 2.3 (Taxes) of the General Terms and Conditions shall be amended by adding the following additional sub-sections **2.3.1, 2.3.2, 2.3.3, 2.3.4, and 2.3.5.**

2.3.1

Goods and Services Tax (GST):

Buyer commits to intimate details of the registration under GST and any changes in the same. In case Seller effects supply of any Goods/Services from a new registration number, same shall be intimated to Buyer within 7 working days along with the GSTIN number and certificate so obtained or before shipments or providing Services, whichever is earlier.

2.3.2

Payment Terms: (either of a or b):

- a) Under Goods and Services Tax regime, input credits will be available based on matching concept between Buyer and Seller. Seller hereby agrees that all payments due to Seller by Buyer shall be linked to proper discharge of tax liability by Seller within statutory time periods. In the event of failure and non-compliance by Seller due to which Buyer is not able to take the input tax credit, Buyer shall not release payment and payment shall be kept on hold till such discrepancy is resolved by Seller. Holding of payments for the aforesaid reason by Buyer shall not be a breach of its obligations under this Contract. In addition to the above, Seller shall be eligible for the receipt of invoice value in accordance with agreed terms only and the tax amount after appropriate GST is credited to the Government account and appropriate compliances have been met. In case of any disputes due to non-matching of GST credit, same shall be resolved by Seller within 90 days of the invoice date, failing which Buyer shall not remit the Tax amount of the invoice.
- b) **Advance payment**
In case of receipt of advance payment, Seller undertakes to comply with the necessary statutory requirements as prescribed under GST laws and rules thereto. The amount of advance payable shall not be increased on account of the GST amount required to be paid by Seller.

2.3.3

Documentation for Movement of Goods:

Seller shall be responsible to raise the prescribed documentation governing the movement of Goods. Buyer shall not be responsible for generation of the documentation or e-way bill or any other document prescribed by GST provisions for the movement of Goods.

2.3.3.1**Timely provision of invoices/ Debit note/ Credit note:**

Seller needs to timely provide invoice/ debit note/ credit note to enable Buyer to claim tax benefit on or before stipulated time period.

2.3.4**Anti-profiteering:**

- a) Under the CGST Act, any economic or tax benefit arising out of the implementation of GST is mandatorily required to be passed on to Buyer by Seller. Similarly, the benefits enjoyed by Seller and other players in the supply chain are also required to be passed on to Seller by them, which in turn shall be passed on to Buyer by way of price reductions. Accordingly, Seller hereby undertakes to pass on any direct or indirect benefits arising thereon.
- b) The responsibility to pass on the above benefits vests with Seller as “responsible Seller” and Buyer reserves right to understand and seek the manner/ mechanism in which such benefits are passed on to Buyer.

2.3.5**Others:**

- a) Mandatory three copies of the invoices need to be issued by Seller. Further, the invoices for supplies shall clearly bear the GSTIN No/ UID No, purchase order/ work order No and date accompanied by advise of dispatch and date of packing list.
- b) Buyer reserves the right to deduct "Tax deducted at source" and other taxes at the rate prescribed under the applicable laws and remit the same to the Government.
- c) Any local levies and or other charges levied by any central/state/local authorities wherever applicable shall be extra and Seller shall be liable to discharge the same.
- d) Seller shall be responsible to issue documents and devices required for movement of Goods and the logistic partner shall not be liable for any loss arising due to confiscation of Goods by Government agencies on account of lack of proper documents or any mis-declaration.
- e) Any liability arising out of dispute on the tax structure, calculation and payment to the Government will be to Seller's account.
- f) Where the supply of Goods/Services are liable to GST under reverse charge mechanism, Seller should clearly mention the category under which it has been registered and also that “the liability of payment of GST is on the Recipient of Service”.
- g) The invoice should clearly specify abatement, if any claimed or otherwise from the Taxable Value while calculating the GST.
- h) The Purchase Order (“PO”) or Work Order (“WO”) shall be void, if at any point of time Seller is found to be black listed dealers as per GSTN rating system and further no payment shall be entertained.
- i) Seller/ Sub contractor shall communicate to Buyer with regard to any change in the registration, issue of blacklisting or any non-compliance irrespective of the fact that whether such events are attributable to Seller or not. Any loss of tax, credit, refund or any other benefit is levied due to cancellation of registration of Seller, Seller shall be liable to reimburse such loss incurred.
- j) In case of centralised contracts, Seller shall endeavour to raise tax invoices separately on the GSTIN of Buyer pertaining to the respective locations. For this purpose, Buyer shall provide the GSTIN of the various locations on which Seller would be required to raise invoices either by way of PO or WO.



Section 2.9 (Price) of the General Terms and Conditions shall be amended by adding the following subsection "**2.9.2 Bank Guarantee**":

2.9.2 Bank Guarantee. Unless otherwise stated, if Buyer makes advance payments, Seller shall provide an irrevocable, unconditional first demand bank guarantee in the amount of the advance payments issued by a first-class bank acceptable to Buyer, having a validity date as agreed between the Parties.

This Addendum shall be construed in connection with and as part of the Contract and except as modified by this Addendum, all the provisions contained in the Contract are hereby ratified and shall remain in full force and effect. Agreed to and accepted by:

Buyer: _____

Seller: _____

Date: _____

Date: _____