

management approval process must be followed and inform specifically for approval prior to change.

6. Tools Retention

Supplier must ensure tools retention and any disposal of the tool must be mutually agreed upon and confirm in written from the Head of Sourcing/Development.

7. Suppliers Right

- 7.1 The supplier developing first will enjoy the maximum share of business subject to compliance of requirement related to QCD.
- 7.2 In case of obsolescence of developed part, the mutually agreed cost of special tools will be reimbursed to the supplier. However, the method of reimbursement will be jointly discussed.
8. Any failure due to supplier responsibility like usage of unspecified material, unapproved process, the all consequential costs will be recovered by Endurance Technology.
9. The supplier will ensure the timely development as per the agreed plan and in case of unforeseen problem, will work jointly with Endurance Team to meet the development requirements.
10. The supplier will confirm and ensure the capacities as per the mutual agreed SOVP (Start of Volume Production). The price of component must be in line with the existing similar category part for the base of material cost and for the process cost. Any specific requirement will be mutually agreed prior to the supply of part.
11. The supply of sample strictly against the Purchase Order and mentioning the necessary reference of part code and Purchase Order.
12. All other terms and conditions will remain in-force as per our Purchase Agreement and as printed backside of the Purchase Order. Endurance deserves the right to review this development policy from time to time and any such changes will be intimated to all concerned.

This policy is effective from 1st Oct 2011.