

PURCHASE ORDER TERMS AND CONDITIONS

1. **Definitions:** “Purchaser” means the entity identified as the buyer or purchaser on the Purchase Order or the entity from whom the Purchase Order is issued, and “Seller” means the party with whom Purchaser is contracting for the purchase of goods, supplies, materials, products, items, parts, components, assemblies or services (“**Products**”). The words “Purchase Order” shall mean the instrument of contracting, including these terms and conditions and all documents, exhibits and attachments specifically referenced in these terms and conditions or in the Purchaser’s Purchase Order, and once accepted by Seller, as provided in these terms and conditions, shall constitute the entire agreement between Purchaser and Seller for the sale and purchase of those Products from the Seller, as described in the Purchase Order. The terms and conditions contained herein are incorporated by reference into each Purchase Order as if fully set forth therein, and any reference to any Purchase Order will include these terms and conditions.
2. **Offer and Acceptance.** A Purchase Order from the Purchaser is an offer from the Purchaser to purchase from the Seller the Products referenced in such Purchase Order governed by these terms and conditions. A Purchase Order from the Purchaser shall be deemed accepted by the Seller and shall constitute the entire agreement between the parties with respect to the subject matter thereof upon any of the following: (a) Seller’s acknowledgment of the Purchase Order; (b) Seller’s commencement of performance or its shipment of the Products set out in the Purchase Order; or (c) Seller’s acceptance of any payment made under the Purchase Order. By accepting the Purchase Order the Seller confirms that it has reviewed and agrees to be bound by the terms and conditions set out in the Purchase Order and herein. Purchaser expressly rejects and shall not be bound by any provision, printed or otherwise, at variance or in addition to the terms and conditions set out herein, including those that may appear in any quotation, proposal, order acknowledgement, invoice, shipping notice or other document from Seller. Any additional or different terms or conditions from those set forth herein and in the Purchase Order are hereby objected to and rejected and the Purchaser shall not be bound by any such additional or different terms or conditions, including any standard terms and conditions of the Seller.
3. **Price and Payment.** Purchaser shall not be invoiced at a price(s) higher than price(s) shown on the face of the Purchase Order from the Purchaser (the “**Price**”). In the event the Seller has reduced its prices for the Products set out in the Purchase Order and such reduction is instituted before delivery of the Products, such reduction shall be applied to the Purchase Order. If the Purchase Order does not set out a Price, then Seller agrees that the Price shall not be greater than the price that was last quoted or charged to Purchaser for the same Product. Prices for the Products are not subject to increase including any increase based upon changes in raw material or component pricing, labor or overhead unless specifically agreed to by Purchaser in writing. Payment will be made in accordance with payment terms stated on the face of the Purchase Order from the Purchaser and if not stated, shall be made within 45 days of Purchaser’s receipt of a valid invoice. The Purchase Order number, date of Purchase Order, place of delivery, and the quantity of Products must be included in Seller’s invoice sent to Purchaser.
4. **Taxes and Charges.** Unless otherwise expressly set out in the Purchase Order from the Purchaser, the Price is deemed to include (a) all applicable federal, state, provincial, and local taxes, and (b) the charges for insurance, import duties, packaging, transportations and any other fee or expense relating to the provision of the Products. The responsibility for freight charges shall be as agreed to in writing by the Purchaser or as indicated on the Purchase Order. Unless otherwise set out in the Purchase Order, any drawings, special dies, tools, patterns or equipment required for the manufacture or performance of the Products requested in the Purchase Order shall be furnished by Seller and at no cost to Purchaser.
5. **Quantity.** Unless otherwise expressly set out in the Purchase Order from the Purchaser each order of Products shall be shipped complete. Purchaser shall not be obligated to accept any shipment of Products in excess of the quantity specified in the Purchase Order for such Products. Any excess quantity will be held at Seller's risk and expense for a reasonable time awaiting return shipping instructions from Seller. Risk of loss and return shipping charges for any excess shall be borne by Seller. Where quantities and/or delivery schedules are not specified in the Purchase Order from the Purchaser or when separate releases of Products are made pursuant to a blanket Purchase Order, Seller shall deliver Products in such quantities and times as Purchaser may direct in subsequent written releases. Seller acknowledges and agrees that any estimates or forecasts provided by Purchaser to Seller are merely estimates for planning and budgeting.

6. **Delivery.** Time and quantity of supply are of the essence for the performance of the Purchase Order. Products delivered after the required delivery date or prior to 10 days in advance of the required delivery shall, at Purchaser's option, not be required to be accepted by Purchaser and shall be returnable to Seller at Seller's sole risk and expense. If the Products are not ready for delivery in time to meet Purchaser's delivery schedules, Seller shall be responsible for additional costs associated with such delay. The Seller shall be responsible to ensure that all Products are suitably packed for shipment to prevent damage. Seller will include a numbered packing list with each shipment referencing the relevant Purchase Order number from the Purchaser. All items shipped must be clearly identified with Purchaser's Purchase Order part number (if applicable). For supplies that contain potentially hazardous materials, Seller shall provide all hazardous material documentation as required by law. Seller shall comply with all applicable federal, state, provincial and local laws and regulations pertaining to product and warning labels. Regardless of F.O.B. point, Seller agrees to bear all the risks of loss, damages, delay or destruction of the Products ordered herein which occur prior to acceptance by Purchaser. No such loss, damage, delay or destruction shall release Seller from obligations under the Purchase Order and hereunder. Seller shall submit to Purchaser with delivery or performance of the Products all documents concerning the deliveries and performances (e.g. guarantee certificates, origin and test certificates, instructions for use, material and product data sheets). Title to Products shall pass to Purchaser at the time and place of delivery to and acceptance by the Purchaser, as set forth in the Purchase Order.
7. **Resale.** No Products will be offered for sale or sold to Purchaser which were obtained by Seller based on any promise, assurance or representation, express or implied, to any manufacturer, distributor or wholesaler, that such Products will not be sold or otherwise transferred to any third party for resale, at any level of distribution. Seller has "authorized distributor" status with respect to all Products sold to Purchaser. Should Purchaser determine, in its sole discretion, that any product sold to Purchaser violates the provisions of this section, Purchaser shall have the right to return such Product to Seller and to recover from Seller all costs associated with such improper delivery.
8. **Inspection of Products:** Seller acknowledges that Purchaser may, at its option, elect not to perform incoming inspections of the Products, and waives any rights to require Purchaser to conduct such inspections. Purchaser may, at its sole option, return some or all of the Products received from Seller and shall promptly receive full credit from the Seller for all returned items. Payment for any Products under the Purchase Order shall not constitute acceptance thereof by the Purchaser and Purchaser reserves the right to inspect all Products purchased from the Seller at Purchaser's discretion and at Purchaser's option and to reject nonconforming Products or revoke acceptance of non-conforming Products. Any Products that are rejected or for which Purchaser revokes its acceptance shall be held at Seller's risk and expense and shall be returned and charged back to Seller at its own expense. For any Products that are rejected or for which acceptance is revoked, the quantity under the Purchase Order shall be automatically reduced, and no substitution or replacement shall be made, unless authorized in writing by Purchaser. Seller's failure to provide written instructions within ten (10) days, or such shorter period as may be commercially reasonable under the circumstances, after notice of nonconformity shall entitle Purchaser, at Purchaser's option, to charge Seller for storage and handling, or to dispose of the Products, without liability to Seller. Payment for nonconforming Products shall not constitute an acceptance thereof, limit or impair Purchaser's right to assert any legal or equitable remedy, or relieve Seller's responsibility for any defects, latent or otherwise. If a defect of the Products becomes apparent within 6 months after acceptance, it shall be deemed that such defect existed at the time of delivery to the Purchaser. When Products are discovered to be nonconforming, Seller agrees to compensate Purchaser for the cost of the inspection and processing of the entire delivery of the nonconforming Products and any additional inspections or charges for any replacement delivery. In the event of multiple nonconforming Products, Seller shall, within 48 hours from notice thereof by Purchaser, submit a written corrective action report to Purchaser. Such report shall identify the root cause of the nonconformance, identify the affected Products and set out a corrective action plan, for Purchaser's review and approval.
9. **Changes.** Purchaser reserves the right at any time prior to the delivery date of the Products to make changes to the drawings, designs or specifications of the Products ordered, the method of packing and shipping, the time, place or method of delivery, the quantity of Products ordered or the work covered hereby. In the event any customer of Purchaser reduces contract volume or shifts scheduled dates, for reasons such as, but not limited to, acts of God, acts of terrorism, the public enemy, the government, strikes or other

labor disputes, fires, floods, freight embargoes or unusually severe weather, Purchaser is entitled to pass these changes on to Seller accordingly and reduce or shift the scheduled deliveries. In such case Seller is not entitled to any claims for additional compensation.

10. Warranty.

- a. To the extent that the Products provided by the Seller pursuant to a Purchase Order from the Purchaser include goods, Seller warrants that for the period of one (1) year following Purchaser's acceptance of Products, or such other time period specified in the Purchase Order or as agreed to in writing by the Purchaser and Seller, that such Products: (i) shall conform to all drawings and specifications referred to in the Purchase Order or otherwise provided by Purchaser to Seller, (ii) shall be free of any liens or encumbrances, (iii) shall be of new material and good workmanship, merchantable and free from defects; and (iv) shall be fit for the purposes intended.
- b. To the extent that the Products provided by the Seller pursuant to a Purchase Order from the Purchaser include services, Seller warrants that for a period of one (1) year following the completion of the services, or such other time period specified in the Purchase Order or as agreed to in writing by the Purchaser and Seller, the services and/or any deliverable items or work product in connection with services shall: (i) conform to the description of the services ordered, and (ii) be performed in a professional manner conforming to the highest industry standards for performance of such services.
- c. The foregoing warranties shall enure to the benefit of the Purchaser, its successors and assigns, and to Purchaser's customers in the event of resale or incorporation into Purchaser's products. In the event of breach of warranty, Purchaser shall be entitled to all rights and remedies available at law and in equity, including but not limited to credit, replacement or repair of defective Products at Purchaser's option; costs for removal of the Products from any component, assembly or system into which the Products may have been incorporated and reinstallation of non-defective Products; and costs for return of the Products. Seller shall also reimburse Purchaser for any incidental and consequential damages caused by such nonconforming Products including, but not limited to, costs, expenses and losses incurred by Purchaser: (i) in inspecting, sorting, repairing or replacing such Products; (ii) resulting from any production interruptions; (iii) conducting any recall campaigns or other corrective actions; and (iv) for any claims for personal injury or property damage. Seller also assigns to Purchaser all warranties on any parts or components of the Property that have separate warranties from another company or manufacturer. All such other company or manufacturer warranties, all Seller's warranties and guarantees, and the warranties and guarantees set out herein, shall survive, and not be deemed waived by, Purchaser's inspection, testing, acceptance of, and payment for the Product and shall enure to the benefit of the Purchaser, its successors and assigns.

11. Assignment/Subcontracting. Seller shall not: (a) assign or transfer the Purchase Order, or any rights or interests it has in or to the Purchase Order or herein; or (b) assign, transfer, or subcontract any obligation to be performed under the Purchase Order or hereunder by the Seller, without the prior written consent of Purchaser.

12. Intellectual Property. All intellectual property owned by Purchaser prior to the date of the Purchase Order or developed by Purchaser independent of Seller shall remain Purchaser's property. Nothing in the Purchase Order, hereunder or in any terms or conditions of the Seller shall be construed as granting Seller any rights to Purchaser's intellectual property. All intellectual property developed, made or conceived, or actually or constructively reduced to practice pursuant to the Purchase Order shall be owned by Purchaser. All intellectual property rights in the Products or portions thereof that arise out of or in connection with "work for hire" or "work made for hire", as defined under the copyright laws and regulations applicable in the jurisdiction of the Purchaser's place of business, will be considered "work for hire" or "work made for hire" and Purchaser will be deemed the sole author and owner of any such works and Products. Seller agrees to execute whatever documents may be reasonably requested by Purchaser to evidence such ownership.

13. Disclosure of Information. Purchaser may disclose to Seller certain plans, drawings, sketches, specifications, trade secrets, and know-how, as well as business, technical, or proprietary information (collectively referred to as "**Information**"), which either belongs to Purchaser or one or more of its customers.

Seller agrees, and shall require its employees, agents and contractors to agree, that all rights in and to this Information belong to Purchaser and will not be copied, duplicated, used, sold or disclosed to others by Seller or any of its employees, agents or contractors without Purchaser's express written permission, and that the Information will only be used in connection with the performance of the Purchase Order from the Purchaser. This Information shall be treated by Seller and its employees, agents and contractors as confidential and shall be immediately returned to Purchaser upon Purchaser's request and upon the completion of the Purchase Order. This provision shall survive the termination or fulfillment of the Purchase Order. Seller agrees not to assert any claim (other than a claim for patent infringement) with respect to any Information, including technical Information, which Seller shall have disclosed or may hereinafter disclose to Purchaser in connection with the Products covered by the Purchase Order.

14. **Lien Waiver.** Seller waives and will cause any permitted subcontractors to waive any lien, including any statutory liens in the Products or other rights that Seller might otherwise have on any of Purchaser's property, for work performed on or with such property, or otherwise. If requested by Purchaser, Seller shall furnish lien waivers, affidavits or other documents requested by Purchaser to evidence such waiver.
15. **Use of Purchaser's Name:** Seller shall not in any advertisements, sales, or promotional materials, press releases or any other publicity matters use the name of Purchaser, Purchaser's parent, any affiliate or subsidiary of Purchaser or any variation thereof or language from which the connection of said names may be implied without Purchaser's prior written approval.
16. **Indemnification.** Seller shall indemnify, defend and save Purchaser and Purchaser's parent, any affiliate or subsidiary of Purchaser, ("Purchaser's Affiliates") and/or their officers, directors, shareholders, agents, employees, and customers harmless against any loss, damage, liability or claim, including without limitation, the Purchaser's legal, attorney and solicitor's fees and expenses, arising out of or in connection with: (a) Seller's breach of the Purchase Order or the terms and conditions contained herein, (b) any third party claim against the Purchaser as a result of a defect in a product or service that is supplied to a third party by the Purchaser that consists wholly or partly in Products provided by the Seller, or (c) any allegation that any Products provided by Seller pursuant to the Purchase Order infringe any patent, trademark, copyright, trade secret or other proprietary right owned by a third party. Purchaser may at its option, be represented and actively participate through its own counsel in any such claim, suit or proceeding giving rise to indemnity hereunder, including any settlement, decree or judgment entered therein. Seller's obligations pursuant to this Section shall survive the completion of performance and expiration or termination of the Purchase Order.
17. **Insurance.** Seller shall, prior to commencement of performance, obtain the following types of Insurance and minimum coverage amounts: (a) statutory worker's compensation coverage for the State/Province in which the Purchase Order is to be performed; (b) employers liability with limits of not less than \$1 Million; (c) commercial general liability, covering liability arising from premises, operations, independent contractors, products/completed operations, personal injury and advertising injury, and liability assumed under an insurance contract \$1 Million per occurrence, \$2 Million aggregate; (d) automobile liability, including non-owner automobile liability for both personal injury and property damage with limits of \$1 Million per occurrence, (e) professional liability coverage (if applicable) with limits of not less than \$1 Million per occurrence; and (f) umbrella liability coverage with a limit per occurrence and in the aggregate of no less than \$5 Million in excess of the commercial general liability, employer's liability, automobile liability and professional liability requirements set forth herein. Upon Purchaser's request, Seller shall name Purchaser as an additional insured under its policies. At Purchaser's request, Seller shall provide a certificate of insurance affirming that Seller has obtained the insurance coverage required by this paragraph. Purchaser reserves the right to modify the insurance requirements contained herein upon notice to Seller.
18. **Laws and Regulations.** Seller and its Products shall comply with applicable laws, rules, regulations orders conventions, ordinances or standards of the country and jurisdiction of destination or which relate to the manufacture, labeling, transportation, exportation, importation, licensing, approval or certification of the suppliers, including those relating to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety, and motor vehicle safety. Seller shall comply with the provisions of any applicable privacy legislation in accordance to the laws of the respective country and jurisdiction of origin. Purchaser does not give Seller permission or consent to use any personal information obtained through the Purchase Order for any purpose other than the supply of Products and works/services to Purchaser. At Purchaser's request, Seller shall

certify in writing its compliance with any or all of the foregoing. Purchaser requires strict compliance with this provision and has the right to immediately terminate the Purchase Order if there is a breach hereof.

19. **Breach.** The failure of Seller to perform any provision of the Purchase Order required to be performed by Seller including, but not limited to, a breach of a warranty provided in the Purchase Order, shall constitute a breach of the Purchase Order.
20. **Termination and Breach.** Purchaser may at any time and without any liability, whether or not Seller is in breach hereof, terminate the Purchase Order in whole or in part by written notice or verbal notice confirmed in writing. If the Purchase Order is terminated without breach by Seller, Seller shall be entitled solely to reimbursement of direct, reasonable costs as determined by Purchaser upon receipt of a written claim by Seller, with documentation supporting Seller's claim. In no event shall any reimbursement to Seller exceed the Price. If Seller fails to provide a written claim within 30 days of the date of termination, Seller forfeits any claim for reimbursement. If the Purchase Order is terminated by Purchaser for Seller's breach, including, but not limited to Seller's delay in delivery of the Products or performance of work/services, Purchaser shall be entitled to pursue cumulatively against Seller any or all available remedies under the Purchase Order, or at law or equity, and Seller shall not be entitled to any reimbursement or compensation for the termination. Each of the rights and remedies reserved by Purchaser in the Purchase Order shall be cumulative and additional to any other or further remedies in law or equity.
21. **Setoff.** Upon notice to Seller and in addition to any right of set-off or recoupment provided by law, Purchaser may deduct from the amount due to the Seller under the Purchase Order, such amounts incurred by the Purchaser for damages for any breach of the Purchase Order or amounts otherwise due to the Purchaser from Seller or its affiliates or subsidiaries, irrespective of whether deduction is related to the Products or work/services covered by the Purchase Order.
22. **Insolvency.** Purchaser may immediately cancel the Purchase Order in whole or in part without liability to the Seller upon the occurrence of any of the following or any other comparable event: (a) insolvency of the Seller, (b) filing of voluntary or involuntary petition for bankruptcy or similar creditor protection, (c) appointment of a receiver or trustee for Seller, or (d) execution by Seller of an assignment for the benefit of creditors.
23. **Limitation of Purchaser's Liability.** IN NO EVENT, REGARDLESS OF THE FORM OF THE CAUSE OF ACTION, THE CLAIMS ASSERTED, OR THE PERSON ASSERTING SUCH CLAIMS, SHALL PURCHASER'S LIABILITY IN THE AGGREGATE FOR ALL SUCH MATTERS, EXCEED THE PRICE PAID BY PURCHASER UNDER THE PURCHASE ORDER, AND SELLER WAIVES ANY CLAIM TO ANY OTHER DAMAGES OR REMEDIES UNDER ANY CAUSE OF ACTION. SELLER AGREES THAT PURCHASER SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS, LOSS OF USE, LOSS OF REVENUE, COST OF CAPITAL, FINES, PENALTIES AND THE LIKE, ENVIRONMENTAL LIABILITY AND DAMAGE, INJURY OR LOSS TO OTHER PROPERTY OR EQUIPMENT OR FOR PERSONAL INJURIES TO SELLER'S EMPLOYEES OR THIRD PARTIES. CLAIMS MUST BE MADE TO PURCHASER WITHIN A PERIOD OF TWELVE (12) MONTHS FROM THE DATE OF THE OCCURRENCE OF THE EVENT GIVING RISE TO THE DAMAGE, OR THE CLAIM IS FORFEITED.
24. **Force Majeure.** Neither party shall be liable for delays or defaults due to causes beyond its control and without its fault or negligence, provided that Seller delivers written notice setting forth the cause of the anticipated delay immediately to Purchaser whenever Seller has reason to believe that performance will not be made as scheduled. If Seller's delay or default is caused by a delay or default of a subcontractor or supplier, such delay or default shall be excused only if it arose out of causes beyond the control of both Seller and the subcontractor or supplier and without the fault or negligence of either of them, and the Products were not obtainable from other sources in sufficient time to meet the required delivery or performance schedule.
25. **Governing Law.**
 - a. If the location of the Purchaser from which the Purchase Order issued is in the United States of America, then the Purchase Order and the terms and conditions herein contained shall be governed and interpreted in accordance with the laws of the State of Michigan, exclusive of the choice of law rules thereof.

Jurisdiction and venue for all disputes among the parties shall be proper in the County of Wayne, State of Michigan, or in the Federal District Court for the Eastern District of Michigan.

- b. If the location of the Purchaser from which the Purchase Order issued is in Canada, then the Purchase Order and the terms and conditions herein contained shall be governed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, exclusive of the choice of law rules thereof, and the Seller irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of such Province and all courts of competent jurisdiction to hear appeals therefrom.
 - c. For avoidance of doubt, the United Nations Convention on Contracts for the International Sale of Goods shall have no application and shall not govern the Purchase Order regardless of which laws apply as determined by this Section 25.
26. **Remedies/Waiver.** Purchaser's remedies described herein shall be cumulative and in addition to any remedies allowed by law or equity. The failure of a party to claim a breach of any term of the Purchase Order shall not constitute a waiver of such breach or the right of such party to enforce any subsequent breach of such term.
27. **Authority.** The Seller represents and warrants that it has all necessary authority and capacity to bind itself to the Purchase Order and these terms and conditions and to perform or cause to be performed its obligations thereunder.
28. **Severability.** If any term or condition of the Purchase Order or the terms and conditions herein contained, or any part thereof, is held by a court or administrative body of competent jurisdiction to be illegal, invalid, or unenforceable, it shall be severed, and every other term, condition or provision (including the remainder of such term, condition or provision which contained the severed term) shall be enforced as if the illegal, invalid or unenforceable term or condition had never been a part thereof.
29. **Construction.** It is agreed and understood that unless the context of the Purchase Order or the terms and conditions herein contain requires otherwise, words importing the singular number shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal or business entities.
30. **Entire Agreement.** The Purchase Order, together with the terms and conditions set out herein, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, communications and understandings of any nature whatsoever, whether oral, written or otherwise, all of which are null, void, and of no effect whatsoever. The Purchase Order and the terms and conditions herein contained may not be modified except in writing signed by a duly authorized representative of Purchaser.
31. **Acknowledgment.** By acceptance of the Purchase Order, the Seller represents and warrants (a) that it has read and understands these terms and conditions, and (b) that these terms and conditions are fair and reasonable to the Seller.