

## TRIBAR TECHNOLOGIES INC.

### TERMS AND CONDITIONS

1. **Parties.** “**Buyer**” means Tribar Technologies, Inc, and any of its subsidiaries, affiliates, successors, or assignees or other entity issuing the Order, or issuing any order under any agreement or Order to which these terms and conditions are attached or referenced therein.<sup>1</sup> “**Seller**” means the legal entity providing Goods and/or Services or otherwise performing work pursuant to the Order.

2. **Offer/Acceptance.** These terms and conditions define the relationship of Buyer and Seller and apply to all purchases of goods and materials (“**Goods**”) as well as any associated services (“**Services**”). Seller acknowledges that these terms and conditions are incorporated in, and are a part of, each Buyer issued purchase order (each, an “**Order**”) relating to the purchase of Goods and Services from Seller, in written form or electronic commerce, including any amendments, supplements, specifications and other documents referred to in, or attached to, the Order. THESE TERMS AND CONDITIONS CONSTITUTE THE ONLY TERMS AND CONDITIONS UPON WHICH BUYER IS WILLING TO ORDER THE GOODS AND/OR SERVICES IDENTIFIED ON ANY BUYER ISSUED ORDER TO THE SELLER AND BUYER OBJECTS TO ANY ADDITIONAL OR DIFFERENT TERMS CONTAINED IN ANY DOCUMENT SUBMITTED BY SELLER TO BUYER. Any execution by Buyer of any other document submitted by Seller in connection with the purchase of Goods and Services does not constitute acceptance of or agreement to any terms and conditions in addition to or different from those contained in the Order but will constitute only acknowledgment of receipt of such document. In addition, notwithstanding any terms contained in any documents submitted by Seller in connection with the purchase and sale of Goods and Services under the Order, acknowledgement of the Order, including, without limitation, by beginning performance of the work called for by the Order, shall be deemed acceptance of the Order and will constitute a course of conduct constituting Seller’s agreement to the terms and conditions of the Order, to the exclusion of any additional or different terms and conditions.

3. **Modification.** No modification of these terms and conditions will be undertaken or valid without the prior written authorization of the Buyer’s VP Supply Chain Management. Buyer may at any time, by giving written notice to Seller, modify the Order specifications, designs, drawings, packaging, methods of shipment, quantities, place of delivery or delivery schedules. Nothing in this Section will relieve Seller from proceeding without delay to perform the Order as modified.

4. **Quantity.**

4.1 **Requirements.** The Seller will provide the Buyer's requirements for the Goods or Tooling as shown on the Purchase Order. On a Production Purchase Order, the quantity is typically specified as a percentage of the Buyer's requirements for the Goods. The Buyer will issue Releases to specify the quantities needed, delivery locations, times and dates. Time and quantity are of the essence in the purchase of the Goods.

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<sup>1</sup> Including but not limited to Adept Plastic Finishing Holding Corp, Adept Plastic Finishing, Inc., Tribar Holdings, Inc., Tribar Manufacturing, LLC and JEMBEC, LLC.

- 4.2 **Returns.** Buyer reserves the right to return, at Seller's expense all goods delivered in error or in excess of the quantity called for in this Order. Buyer also reserves the right to increase or decrease quantities. Should Buyer reject goods for defective or nonconforming quality, Buyer shall have the right to charge an Administration Fee of minimum \$350.00 US dollars for each Good returned.
- 4.3 **Projections.** Buyer may provide the Seller with estimates, forecasts or projections of its future volume or quantity requirements for the Goods. These are **Volume Projections**. They are provided for informational purposes only. The Seller and the Buyer may agree on a timeline over which Volume Projections will be provided.
- 4.4 **No Commitment.** Volume Projections are not a commitment by the Buyer to purchase the quantities specified in the Volume Projections. The Seller acknowledges that Volume Projections, like any other forward-looking projections, are based on a number of economic and business factors, variables and assumptions, some or all of which may change over time, and may or may not be accurate at the time they were made or later on. The Buyer makes no representation, warranty, guaranty or commitment of any kind or nature, express or implied, regarding any Volume Projection.

5. **Delivery.**

- 5.1 Deliveries shall be made both in quantities and at times specified on the Order or Release. Time and quantity of delivery are of the essence. Seller shall adhere to shipping directions specified on the Order. In the event that delivery is delayed or performance is late or incomplete, Seller shall promptly notify Buyer of the date by which delivery will be made or performance will be completed; provided, however, that Buyer may terminate any Order where delivery or performance is late or incomplete regardless of whether Seller notifies Buyer of a new delivery or completion date. Title to, and risk of loss, for all Goods sold to Buyer shall pass to Buyer only after unloading such Goods at the delivery location selected by Buyer. Unless otherwise noted on the Order, Goods shall be shipped by Seller FOB port of shipment (Incoterms 2010) to the destination specified on the Order, freight prepaid, and Services shall be performed at the Buyer location (unless otherwise specified) and in accordance with the schedule identified on the Order.
- 5.2 Seller will comply with all country of origin marking requirements under applicable laws and regulations, which shall include as minimum requirements, the English name of the country of origin marked on the immediate container (outermost packaging in which the Goods are provided to Buyer), on the article itself and on the commercial invoice. The country of origin must be included on all import commercial invoices and packing lists (delivery notice) and must be consistent with the country of origin marked on the package (immediate container) and the Goods.
- 5.3 Packing slips and other shipping documents, such as bills of lading, shall show the Order number, vendor and item and reference numbers. For each international shipment, Seller shall furnish all required export/import documents and certificate(s) of origin as required by applicable law and as Buyer may request. Seller shall furnish (i) all NAFTA, AALA and any other related or required documents; (ii) all required export licenses or authorizations;

and (iii) any other documents requested by Buyer. Seller warrants that the contents of such documents shall be true and accurate. Seller shall indemnify the Indemnified Parties for any and all damages, including, but not limited to, duties, interest, and penalties, arising from a false or inaccurate statement.

- 5.4 Time is of the essence for all completion or delivery of Goods and Services under the Order. In lieu of canceling any Order where the provision of Goods or Services is late, Buyer shall be entitled to a credit equal to one percent (1.0%) of the Order price for each day that the provision of Goods or Services is late (as calculated from the Order ship or performance date). Buyer may apply such credit against the corresponding invoice for such Goods or Services, without the need for Seller to issue any credit memorandum or other documentation. Seller agrees that such credit is not a penalty, but a reasonable approximation of the damages that late completion or delivery will cause to Buyer.
- 5.5 If Seller's acts / omissions results in Seller's failure to meet Buyer's delivery requirements and Buyer requires a more expeditious method of transportation for the goods than the transportation method originally specified by Buyer, then at Buyer's option Seller will (i) promptly reimburse Buyer the difference in cost between the more expeditious method and the original method, (ii) allow Buyer to reduce its payments of Seller's invoice by such difference, or (iii) ship the Goods as expeditiously as possible at Sellers's expense and invoice Buyer for the amount which Buyer would have paid for normal shipment. Additionally, all costs associated with said interruptions shall be passed on to Seller. Seller's scorecard will undergo point deductions for said delivery non-conformances.
- 5.6 In support of lean and efficient business processes, Seller must be able to support electronic data interchange via Standard or Web EDI. 5.7 Under and over - shipments can be written as formal non-conformance's resulting in a \$350.00 administration fee. Such performance will result as a negative impact to said Seller's score card.

6. **Quality.**

- 6.1 The Quality expectations set forth in these terms and conditions are not all inclusive. Other requirements of Seller can be found in the Tribar Technologies Inc, Supplier Quality Manual.
- 6.2 Seller shall provide and maintain inspection and quality control systems that are consistent with industry practice and acceptable to Buyer. All Goods furnished under the Order by Seller shall conform to the requirements stated in the Order and accompanying documentation including, but not limited to, drawings and work instructions, and be subject to inspection and tests by Buyer, or Buyer's customer. To the extent practicable, inspection may be made by Buyer, its agents or assigns at all times and places, including the period of manufacture and prior to acceptance. Additionally, an audit of Seller's premises and records for compliance with this Section shall be permitted by Buyer or its designee at Buyer's advance written request. Seller shall maintain applicable records as required by law or internal policy, but in no event, for less than six (6) years.

- 6.3 The Buyer or the Seller, as appropriate, will inform the other about any nonconformity of the Goods as soon as reasonably practicable after it has been discovered and confirm the nonconformity in a Written Notice if requested by the other. The Buyer and the Seller will cooperate fully with each other to identify the cause of the nonconformity and to develop a plan for the prompt remediation of it.
- 6.4 PPAP shall be a level 3 unless otherwise agreed upon in writing by a Management member of the Quality Organization. Additionally, annual validations are required and available upon time of request.
- 6.5 IMDS (International Material Data System) shall be completed and retained by Seller. This includes new products and / or changes to current products.
- 6.6 Seller agrees to contact Buyer prior to any process changes including but not limited to, change in location, sub supplier products or location, change in MFG processes and or materials. Seller shall not proceed until written approval is obtained.
- 6.7 **CONFLICT MINERALS.** Under legislation which came into effect in 2012, manufacturers who file certain reports with the U.S. Securities and Exchange Commission (SEC) must disclose whether products they manufacture, or contract to manufacture, contain conflict minerals that come from sources that support or fund inhumane treatment in the region of the Democratic Republic of the Congo or an adjoining country. To ensure compliance with the SEC requirements, Tribar Technologies, Inc, must request information regarding the use of conflict minerals, from any appropriate sellers. Any seller contacted by Tribar, must support Tribar by accurately providing all requested data and reports. Additional information on conflict minerals reporting can be found by visiting either of these two links: <http://www.aiag.org> <http://www.conflict-minerals.com> Seller agrees to engage with Buyer prior to communicating with Buyers direct Customer.

7. **Acceptance, Inspection and Testing.**

- 7.1 Notwithstanding payment, passage of title or prior inspection, all Goods and Services are subject to final acceptance or rejection by Buyer upon delivery or completion. Failure to give notice of any defect or non-conformity shall not affect any warranty or operate as acceptance of any Good or Service with a latent defect.
- 7.2 Seller agrees that Buyer and its customers shall have the right to enter Seller's facility at reasonable times to inspect and audit the facility, goods, materials and any property of Buyer related to or covered by the Order, and Seller will provide, at its own cost, reasonable access to its premises, equipment, staff and such other information as Buyer and its customers may reasonably request to confirm compliance with the Order. Such inspection, whether during manufacture or performance prior to delivery or within a reasonable time after delivery, shall not constitute acceptance of any work-in-progress, finished Goods or Services, whether a breach of warranty or other defect had become evident at the time. If any audit reveals quality shortcomings or non-compliance with the Order, Buyer may immediately terminate the Order for cause. Any inspection by Buyer, or advice or notice given by Buyer, with regard to the Goods or Services to be delivered or performed, shall not release Seller in any

way from responsibility or liability with respect to fulfillment of its obligations under the Order.

- 7.3 To the extent that Goods are provided by Seller, and unless Seller notifies Buyer prior to accepting any Order that Goods are custom made and non-returnable, Buyer may return for a full refund any unused Goods.
- 7.4 Goods rejected as not conforming to the Order or as otherwise deemed defective, will be returned to Seller at Seller's expense, including transportation and handling costs. Buyer reserves the right to charge an administration fee of \$350.00 minimum for non-conforming materials found internal to Tribar Technologies, Inc. A minimum fee of \$1,000.00 shall be applied to any non-conforming product at buyer's customer locations resulting from poor product quality of Seller. All said non-conformance will result in Seller's score card point deductions.

8. **Price; Invoicing and Payment.**

- 8.1 Prices are firm and are not subject to increases or additional charges.
- 8.2 Seller shall invoice Buyer on completed delivery of the Goods or performance of the Services. Payment terms will be set forth on the Order; provided, however, that if the payment terms are not set forth on the Order, payment terms shall be net sixty (60) days. All invoices must reference the corresponding Order number and must be sent to Buyer's address specified on the Order, or such other address as Buyer may specify. All invoices must be in US Dollars and will be paid in US Dollars.
- 8.3 Seller shall not at any time provide Goods or Services to a different buyer at prices below that charged to Buyer. If Seller charges a different buyer a lower price for Goods or Services, Seller must immediately apply the lower price in connection with the Order. If Seller fails to meet the lower price, Buyer, at its option, may terminate the Order without liability to Seller.
- 8.4 Except as otherwise set forth herein or on the Order, the price for Goods and Services includes all charges, costs and fees necessary to deliver to Buyer, Goods and Services that conform strictly to the requirements of the Order and includes, without limitation, all applicable packaging and transportation costs to Buyer's location, insurance, customs duties, taxes and any other charges or fees. All such costs shall be for Seller's account and Seller agrees to pay such costs.
- 8.5 Unless prohibited by law, the Buyer may set off and recoup against the Buyer's accounts payable to the Seller any amounts for which the Buyer determines in good faith the Seller is liable to it under any Purchase Order or other agreements with the Seller. The Buyer may do so without notice to the Seller.

9. **Termination.**

- 9.1 Buyer may immediately terminate an Order, in whole or in part, without liability, in the event of any of the following or any other similar occurrences: (i) the insolvency of Seller; (ii) the

filing of a voluntary petition in bankruptcy by Seller; (iii) the filing of any involuntary petition in bankruptcy against Seller; (iv) the appointment of a receiver or trustee for Seller; (v) Seller making an assignment for the benefit of its creditors or (vi) a change of control. A change of control includes: (a) the sale, lease or exchange of a substantial portion of the Seller's assets used for the production of the Goods; (b) the sale or exchange of a controlling interest in the shares of the Seller; or (c) the execution of a voting or other agreement of control.

9.2 Buyer shall have the right to terminate an Order, in whole or in part, without liability, if Seller: (i) repudiates or breaches any of the terms of the Order; (ii) fails to perform Services or deliver Goods as specified by Buyer; or (iii) fails to make progress or suffers any issues so as to endanger timely delivery of Goods or Services, and Seller does not correct such failure or issues within five (5) business days (or such shorter period of time if commercially reasonable under the circumstances) after receipt of notice from Buyer specifying such failure or issues.

9.3 Buyer may also terminate an Order, in whole or in part, for its own convenience, in which case Seller shall be entitled to, but only to, an equitable amount not in excess of its verified direct costs reasonably and necessarily expended or committed to third parties in accordance with lead times for materials and labor as appropriate for corresponding delivery dates prior to the notice of termination (less salvage value and any other amounts recoverable by Seller). The payment required by the foregoing sentence shall constitute Buyer's sole and exclusive liability and obligation with respect to cancellation of an Order. The Seller may not terminate at its option.

9.4 Service Parts. The Seller will supply past model year Service Parts and Component Parts for up to 15 years following the end of production of the current model year for the Goods. If the Buyer or any of its Related Companies has a legal obligation to make the Service Parts or Component Parts available for a longer period, the Buyer will so advise the Seller. The Seller will supply the Service Parts or Component Parts for this longer time period.

## 10. Warranties.

10.1 Seller represents and warrants that the Goods (including Service Parts), whether provided by Seller or a direct or indirect source of Seller: (i) will be free from defects in design, materials, workmanship and title; (ii) will be of good and suitable quality (as set forth in the Order or the applicable specifications), that all materials and other items incorporated in the Goods will be new (not refurbished or reconditioned) and fit for the particular purpose for which they are intended; (iii) will be free of any rightful claim of any third party for infringement of any patent, trademark, trade dress, copyright or other right; (iv) will strictly conform to the specifications, drawings, designs, and other requirements of the Order; (v) will be of comparable quality as all samples delivered to Buyer; and (vi) will comply with all applicable laws, regulations and other requirements of governmental authorities having jurisdiction. The above warranties shall apply to Buyer and Buyer's customers of the Goods. The warranties set forth above in clauses (i), (ii), and (v) only, shall apply for the period set forth on the face of the Order or in the specifications. For Goods installed or used in a Production Vehicle, the Warranty Period begins on the date the Goods are delivered to the Buyer (or a

Related Company or third party designated by the Buyer) and expires on the date that is the later of: (a) the date on which the period of the applicable New Vehicle Warranty (as defined in Section 22.03) covering the Goods ends; or (b) the date on which any longer or broader Government Requirement covering the Goods ends.

- 10.2 With respect to Services, Seller warrants that (i) the Services will be conducted by personnel of requisite skill, experience and qualifications using due skill and care, (ii) the Services shall be performed in accordance with the highest industry standards; (iii) all subcontractors shall be bound by the terms of the Order as if it were Seller hereunder, and (iv) all of its equipment used in the provision of Services will be suitable, properly maintained and in good working order.
- 10.3 In addition to all rights and remedies available under the Order and/or applicable law (including the Uniform Commercial Code), if Seller breaches any warranty relative to the Goods or Services, Buyer may, at its election: (i) return such items to Seller at Seller's risk and expense; (ii) require Seller, at its expense to promptly replace, reperform or correct such items, or provide a refund or credit; (iii) pending redelivery or reperformance, require repayment of any amounts paid for non-conforming items; (iv) effect cover by purchase or manufacture of similar items or repair/reperformance of such items at Seller's expense; and/or (v) accept or retain non-conforming items and equitably reduce their price. Additionally, Seller shall reimburse Buyer for any and all direct and indirect costs, expenses and penalties arising out of or related to Seller's breach of any warranty.
- 10.4 Seller agrees to use its best efforts to ensure that all warranties provided by any third parties are assigned to Buyer. If any third-party warranty cannot be so assigned, Seller agrees to use its best efforts to make that warranty available for the benefit of Buyer. Seller agrees to deliver to Buyer a copy of each written third-party warranty. All such third-party warranties, and the express warranties set forth herein, are in addition to any other warranties available to Buyer under applicable law.
- 10.5 Seller acknowledges that Buyer supplies parts to automobile manufacturers and Sellers in North America, and that Buyer is required to participate in the warranty share programs of each such automobile manufacturer and Seller that is Buyer's customer (the "WSP"). Seller agrees that, by producing and supplying Goods associated with this contract, Seller will participate in the WSP as set forth herein and will indemnify and hold Buyer harmless for any costs or losses allocated to Buyer pursuant to a customer WSP which are attributable, in whole or part, to Goods or Services supplied by Seller pursuant to an Order. Seller agrees that Buyer is entitled to immediately deduct such costs and amount from any payment due or to become due to Seller from Buyer. In the event Buyer has no payment obligation or balance owed to Seller against which to deduct such costs, Buyer shall invoice Seller for the costs assessed against Buyer pursuant to the terms of its customer's WSP, which invoice shall be paid in full by seller within five (5) days after Buyer has supplied to the seller documentation confirming the costs allocated to Buyer pursuant to its customer's WSP.

11. **Recalls.** If at any time a governmental agency of any country, state, province or municipality requires Buyer or Buyer's Customer to conduct a product safety recall or a field fix

program (“**Recall**”), or Buyer or Buyers Customer voluntarily undertakes such an action, related to the Goods, Buyer will notify Seller within thirty (45) days of the initiation any such action. In the event of a Recall, and the cause of such Recall is due to (i) a breach by Seller of any of its representations, warranties, obligations, covenants or other agreements contained on the Order, then Seller shall be liable, and shall reimburse Buyer for all costs and expenses incurred by Buyer relating to or arising out of such Recall; provided, however, that if Buyer or any third party share responsibility with respect to such Recall, the costs shall be shared in the ratio of the parties’ contributory responsibility.

12. **Ingredients, Disclosure, and Special Warnings and Instructions.** Pursuant to Federal and State regulations, Buyer maintains a current file of Material Safety Data Sheets (“MSDS”). It is Seller’s responsibility to supply MSDS information along with all updates as they shall occur. In addition, and at Buyer’s request, Seller will promptly furnish to Buyer in such form and detail as Buyer may direct (i) a list of all ingredients in the Goods, (ii) the amount of each ingredient, and (iii) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of the Goods, Seller will furnish to Buyer sufficient warning and notice in writing (including appropriate labels on goods, containers, and packaging) of any hazardous material that is an ingredient or a part of any of the Goods, together with any special handling instructions as may be necessary to advise carriers, Buyer, and their respective employees of the measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the Goods, containers, and packaging shipped to Buyer.

13. **Tooling and Property Furnished or Purchased by Buyer and Its Customers.**

13.1 **Tooling Order.** If the Order is for tools, dies, fixtures, gages, molds, or patterns, and similar production Goods (“Tooling”), Seller shall design, fabricate, revise, acquire from sources approved by Buyer, and install the Tooling, subject to the terms of this paragraph and each of its subparts. The term “Tooling” also includes tangible and intangible related drawings, prints, designs, models, and test data of the Tooling. These terms also incorporate and include any additional obligations relating to Tooling which are contained in Buyer’s contract with its Customer and Seller agrees that Buyer, in its own name, may enforce such obligations on behalf of its Customer. Seller shall not subcontract all or any portion of the manufacture of the Tooling without Buyer’s prior written consent, and Seller shall obtain for Buyer all of Buyer’s rights related to Tooling from each subcontractor used by Seller.

13.2 **Samples, Quality and Durability.** Seller shall, at its own expense, manufacture a reasonable number of sample parts on the Tooling for inspection or testing by Buyer to ensure the capability of the Tooling to produce the required parts, which meet Buyer’s and its customer’s applicable quality standards requirements, the applicable North American Standards for Tool Builders as selected by Buyer, ISO 19001, IATF16949, AS9100, and all other applicable industry quality and process standards. In addition to Seller’s other obligations under the terms and conditions, the Tooling shall be designed and fabricated to be sufficiently durable to permit and support the manufacture of all production and service part requirements through the production and service lifetime of the part and permit the production of Buyer’s subsequent service and replacement requirements. Seller shall submit to Buyer a part submission package, sample products manufactured with Tooling, and any

other tangibles and intangibles requested by Buyer. The Tooling will be deemed to be completed when the necessary samples have been submitted and approved by Buyer, the parts and Tooling have satisfied all PPAP requirements at production run rates and accepted or approved by Buyer and Buyer's customer. Seller shall obtain a prior written consent from Buyer to subcontract any part of an Order. Seller shall furnish to Buyer information of the subcontractor and scope of performance to be subcontracted. No assignment or delegation shall be valid or effective without Buyer's prior written consent.

- 13.3 Reports and Schedules. Buyer may request Seller to furnish semi-monthly (or more frequently at Buyer's option) status reports on the construction or acquisition of the Tooling. Seller shall notify Buyer immediately upon becoming aware that the Tooling may not be completed by the completion date specified in the Order and Seller shall furnish to Buyer a schedule of the actions that Seller will take, at Seller's expense, to timely achieve the specified interim and final milestones, deliverables and completion dates.
- 13.4 Title and Identification. All right, title, and interest in and to any part of the Tooling passes to Buyer as soon as it is acquired or fabricated in accordance with the Order. All Tooling in the possession of Seller will be at will bailed property. At Buyer's request, Seller shall sign a bailment agreement describing any additional bailment terms for specific Tooling. If the parties do not execute a bailment agreement, Buyer's records regarding the specific Tooling in Seller's possession may be used by Buyer as determinative of the existence, condition, ownership and other aspects of the bailed Tooling. Seller hereby grants Buyer a security interest in any Tooling in which Seller may have an interest and, in any contract, or right to purchase the Tooling from a third party and, upon Buyer's request, shall obtain subordination agreements in favor of Buyer from any prior perfected secured parties and lien holders. Seller authorizes Buyer to file a financing statement pursuant to Article 9 of the Uniform Commercial Code, and other law, describing any or all of the bailed Tooling to perfect Buyer's interest in the Tooling. Seller shall: (i) properly store and maintain the bailed Tooling on Seller's premises listed on the Order; (ii) prominently and permanently mark it as the property of its owner, in accordance with Buyer's instructions; (iii) refrain from commingling it with the property of Seller or with that of a third party; and (iv) adequately insure it against loss or damage. Seller shall not grant or permit any lien or security interest to be asserted against Tooling. Seller shall not loan, sell or assign Tooling or permit it to be subject to any legal process without Buyer's prior written consent. Seller shall indemnify Buyer against any claim adverse or prior to Buyer's ownership or interest in the Tooling, except any claims resulting from any acts or omissions of Buyer. To the extent permitted by law, Seller waives its right to object to the repossession of the Tooling by Buyer in the event Seller is involved in bankruptcy proceedings.
- 13.5 Maintenance, Repair, Replacements and Taxes. Seller, at Seller's expense, shall maintain the Tooling in first class condition and immediately replace any items which are lost or destroyed or become worn out. All repaired or replaced Tooling shall be and remain the property of Buyer. Wear, repair and any necessary refurbishment of the Tooling is Seller's responsibility. None of the Tooling may be removed from Seller's premises without Buyer's written consent. Seller shall be responsible for property tax and any other taxes assessed upon Tooling while in Seller's custody or control.

- 13.6 Records. Seller shall keep at the location of the Tooling all records related to the Tooling as Buyer may reasonably require. Buyer may inspect and copy such records upon 24-hour's notice.
- 13.7 Use of Tooling. Seller shall not manufacture, sell, design, or convey any product or property produced, manufactured or assembled with use or assistance of the Tooling to or for any person other than Buyer, except as specifically directed by Buyer in writing for the benefit of Buyer. Seller, at its sole cost and expense, shall furnish appropriate safety systems for Tooling to meet OSHA and any other applicable safety rules and regulations at Seller's responsibility and cost.
- 13.8 Risk of Loss and Insurance. Seller shall be responsible for any and all loss or damage to Tooling, including loss or damage which occurs despite Seller's exercise of reasonable care, until Seller delivers Tooling to Buyer. Seller shall insure Tooling with fire and extended all risk coverage insurance for replacement value thereof for the entire time Tooling is in Seller's possession in accordance with the Order and these terms.
- 13.9 Responsibility. for Safe Use. Seller shall use Tooling in a careful and safe manner and shall defend and Indemnify Buyer from any claims, liabilities, expenses and damages arising from or related to the installation, use, possession, storage or repair of the Tooling. Seller shall maintain a liability insurance policy and name Buyer as an additional insured.
- 13.10 Return. Tooling may be removed at any time by Buyer, at Buyer's written request, whether or not Buyer and Seller are engaged in litigation or other dispute, in which event Seller shall prepare Tooling for shipment and shall redeliver it to Buyer or its Customer in the same or equal condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense. Bailee shall have no right to retain possession of Tooling to secure payment of amounts owed for Tooling or Goods or for any other reason. Seller waives any statutory, common law, equitable, or other rights to claim a lien on the Tooling.
- 13.11 Disposition. Seller's responsibility under these terms continues beyond any expiration date of the related Order for production of Goods. If the Tooling is not used to produce any parts for Buyer for a period of two years, Seller shall notify Buyer and request instructions for the disposition or retention of the Tooling for the period of service parts supply. Seller shall follow Buyer's instructions regarding the disposition or retention of the Tooling.
- 13.12 Tooling Invoices, Payment, and Prices. Upon: (i) completion of Tooling; and (ii) approval by Buyer of the initial samples manufactured by Seller; and (iii) satisfaction of any other conditions specified in the Order, Seller shall invoice Buyer at the billing address on the face of the Order. Payment for Tooling shall be made in accordance with Buyer's normal payment terms (reference section 8.2) unless stated otherwise on the Tooling Purchase Order. Buyer's payment obligation shall be no more than the specified maximum, if any, for: (a) Seller's actual costs for purchased materials and services (including purchased Tooling and portions thereof); and (b) Seller's actual cost for direct labor and overhead. Seller must establish a reasonable accounting system accessible to Buyer that enables ready identification of all Seller's costs.

13.13 Injunctive Relief. The Tooling is a unique Good which will assist in the production of a unique part or assembly. Buyer is in an industry that has exacting standards for validation, delivery, quality, and other performance. The failure to produce or deliver the Tooling in accordance with the requirements of the Order can expose Buyer to significant claims by third parties and a significant loss of business and reputation which will be very difficult or impossible to quantify and for which Seller may be fiscally unable to respond in monetary damages. Whether or not the parties are in a dispute, Buyer shall be entitled to possession of the Tooling on demand and Buyer shall be entitled to orders for specific performance, preliminary and permanent injunctions and/or other extraordinary relief, which relief shall be cumulative and in addition to any and all other remedies to which any party may be entitled under this Agreement or by law or equity, including but not limited to an ex parte order for possession of the Tooling provided Buyer shall only be entitled to a single full recovery for any breach. Seller waives any requirement for posting of a bond provided that if a waiver is not permitted by law the amount of the bond shall not exceed the unpaid purchase price.

14. **Indemnification**.

14.1 Seller shall defend, indemnify and hold harmless Buyer, its affiliates and subsidiaries, and each of their respective officers, directors, shareholders, employees, agents, customers and assigns (collectively, the “**Indemnified Parties**”) from and against any allegation, claim, suit, action, proceeding, damage, loss, settlement, cost, expense and any other liability (including, but not limited to, reasonable attorneys’ fees) arising out of, related to, or resulting from: (a) an actual or alleged breach of any of Seller’s representations, warranties or other obligations under the Order; or (b) any act or omission of Seller or its employees, agents, affiliates, contractors or subcontractors, except to the extent caused by the gross negligence or willful misconduct of Buyer as determined by a final, non-appealable order of a court having proper jurisdiction.

14.2 Seller shall defend, indemnify and hold harmless the Indemnified Parties from and against any allegation, claim, suit, action, proceeding, damage, loss, settlement, cost, expense and any other liability (including, but not limited to, reasonable attorneys’ fees) arising out of, related to, or resulting from any assertion that the Goods or Services, or any part thereof, furnished under the Order, or the use (including resale) thereof, constitutes an infringement of any patent, trademark, trade secret, copyright or other intellectual property right of a third party. In the event such Goods or Services or the use thereof are enjoined in whole or in part, Seller shall, at its expense and at Buyer’s or its customer’s option, undertake one of the following: (i) obtain for Buyer and its customer the right to continue the use of such Goods or Services; (ii) in a manner acceptable to Buyer and its customer, substitute equivalent Goods or Services or make modifications thereto so as to avoid such infringement and extend this indemnity thereto; or (iii) refund to Buyer an amount equal to the purchase price for such Goods or Services plus any excess costs or expenses incurred in obtaining substitute Goods or Services from another source.

14.3 Seller’s obligations under this Section 14 will survive Buyer’s acceptance of and payment for the Goods and Services.

15. **Insurance.** Seller shall obtain and maintain at all times and at its expense, Commercial General Liability Insurance, covering liabilities relating to the Goods and Services, including, but not limited to, products and completed operations, and that meets the following requirements: (a) contains a broad form Seller's Endorsement; and (b) has minimum limits of \$1,000,000 per occurrence combined single limit for bodily injury and property damage. Further, if Seller's employees will enter Buyer's premises, Seller will maintain Workers' Compensation Insurance in the statutory mandated amounts and Employer's Liability Insurance with minimum limits of liability of not less than \$1,000,000 per occurrence, and Commercial Automobile Liability Insurance with minimum limits of \$1,000,000 per occurrence. Seller's insurance shall be issued by a reputable and financially sound carrier and be primary to any insurance that may be carried by Buyer; name the Indemnified Parties as additional insureds and include a waiver of subrogation in favor of the Indemnified Parties; and not be terminated, cancelled, materially altered or allowed to expire without prior written notice to Buyer as per the applicable policy language. Seller will keep this insurance in effect for at least five (5) years after the last sale of Goods or Services to Buyer and will furnish Buyer certificates of insurance evidencing such coverage promptly upon Buyer's request. Buyer's approval of any of Seller's policies of insurance does not relieve Seller of any obligations set forth in the Order, including, but not limited to, its defense and indemnity, even for claims over Seller's policy limits.

16. **Adequate Assurance of Performance; Cost Reduction.**

16.1 If at any time, Buyer has grounds for insecurity as to whether Seller's performance will be full, timely and continuing in accordance with the terms of the Order, then Buyer may request, by written notice to Seller, adequate assurances in writing that Seller is able and willing to perform all of its respective obligations under the Order. Seller shall prepare and provide with its assurances of performance any information, reports or other materials as Buyer may reasonably request. If Seller does not provide adequate written assurances within seven (7) calendar days after the written notice and request from Buyer, then Buyer may, at its option, treat the Order as breached by Seller.

16.2 Seller represents that it shall use its best efforts to continuously support Buyer's (and its respective customers') lean manufacturing initiatives. In furtherance thereof, Seller shall use its commercially reasonable efforts to identify and implement cost reductions and pass them on to Buyer in the form of lower prices for the Goods. Such efforts shall include participation of capable Seller personnel whose responsibility it shall be to identify and implement actionable cost reduction initiatives. Except as otherwise agreed by the parties in writing, all of Seller's cost reductions for the Goods shall be shared equally between Seller on the one hand, and with Buyer on the other hand; provided, however, that cost reductions resulting from changes to specifications, engineering changes or other changes that are implemented solely by Buyer shall be provided for the benefit of Buyer, and shall not be shared with Seller. All cost reductions which are for the benefit of Buyer shall be in the form of a reduction to the price of the applicable Goods.

17. **Title and Engineering Drawings, Specifications.** Any documents, including drawings and specifications, produced or acquired by Seller under the Purchase Order will belong to Buyer, subject only to Seller's patent rights, if any, but without any other restrictions on Buyer's use,

including reproduction, modification, disclosure, or distribution of the documents or the information contained therein. All drawings, know-how, and confidential information supplied to Seller by Buyer and all rights therein will remain the property of Buyer and will be kept confidential by Seller. Seller is licensed to use Buyer's drawings, know-how, and Confidential Information only for the purpose of fulfilling its obligations under the Purchase Order. In addition to the obligations set forth in the Terms and Conditions, Seller will not disclose such drawings to third parties unless this is required for Seller to fulfill its duties under the Purchase Order. Seller will inform Buyer in writing of any third parties to whom Seller subcontracts any of the work required under the Purchase Order specifying in detail the work that had been subcontracted to such third party. Seller will ensure that any third party to whom Seller subcontracts any of the work hereunder is bound by all the Terms and Conditions relating to such work to which Seller is bound under the Purchase Order. Seller will nevertheless remain liable under the Terms and Conditions for all work performed by the Subcontractor as if it had been performed by Seller even if Buyer has consented to such subcontracting.

18. **Miscellaneous.**

18.1 **No Implied Waiver.** The failure of Buyer at any time to require performance by Seller of any provision of the Purchase Order will not affect the right to require such performance at any time thereafter, nor will the waiver by Buyer of a breach of any provision of the Purchase Order constitute a waiver of any succeeding breach of the same or any other provision.

18.2 **Assignment.** The Purchase Order may not be assigned or subcontracted by Seller without the Buyer's prior written consent.

18.3 **Change in Control or Ownership.** During the term of the Purchase Order, Seller will not have the right to engage in a transaction or in a series of related transactions in which fifty percent (50%) or more of the voting power of Seller is disposed of, or the consolidation, merger, or other business combination with or into a third party, without the prior written consent of Buyer.

18.4 **Applicable Law.** All matters relating to Buyer's purchase of the Goods will be construed in accordance with and governed by the laws of the State of Michigan.

18.5 **Dispute Resolution; Venue.** If there is a dispute between the parties, the parties agree that they will first attempt to resolve the dispute through one senior management member of each party unless the matter is urgent and/or requires a request for injunctive relief. If they are unable to do so within thirty (30) days after the complaining party's written notice to the other party, the parties will then seek to resolve the dispute through non-binding mediation conducted in Oakland County, Michigan. Each party must bear its own expenses in connection with the mediation and must share equally the fees and expenses of the mediator. If the parties are unable to resolve the dispute within thirty (30) days after commencing mediation, either party may commence litigation which shall only be brought in any court sitting in Oakland County of the State of Michigan, or the United States District Court for the Eastern District of Michigan, Southern Division, and each of the party's hereby submits to and accepts generally and unconditionally the jurisdiction of those courts with respect to such party and such party's property and irrevocably consents to the service of process in

connection with any such action or proceeding by personal delivery or by the mailing thereof by registered or certified mail, postage prepaid to the party's address. No action, regardless of form, arising out of the transactions relating to the Order, may be brought by Seller more than one (1) year after the cause of action has accrued.

- 18.6 Severability and Survival. The Terms and Conditions are severable and if any Terms and Conditions or portions of any Terms and Conditions are stricken or declared illegal, invalid, or unenforceable for any reason whatsoever, the legality, validity or enforceability of the remaining Terms and Conditions will not be affected thereby. The parties' respective representations and covenants, together with obligations of indemnification, warranty, recall, confidentiality and limitations on liability will survive the expiration, termination or rescission of the Order and continue in full force and effect.
- 18.7 Force Majeure. In no event shall either party have any claim or right against the other party for any failure of performance (except for Buyer's right to seek payment of all accrued charges) due to causes beyond that party's reasonable control, including, but not limited to: acts of God, fire, explosion, vandalism, storm, flood or other similar catastrophes; any law, order, regulation, direction, action or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over either of the parties or of any department, agency, commission, court, bureau, corporation or other instrumentality of any one or more said governments, or of any civil or military authority; national emergencies; insurrections; acts of terrorism; riots; wars; strikes; lock-outs, work stoppages or other labor difficulties. If Seller suffers a delay due to a force majeure event, Buyer may terminate the Order, in whole or in part, where such delay exceeds or is reasonably likely to exceed twenty (20) days.
- 18.8 Confidentiality. All non-public, confidential or proprietary information of Buyer, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, Intellectual Property Rights, business operations, customer lists, pricing, discounts or rebates, disclosed by Buyer to Seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with the Order is confidential, solely for the use of performing the Order and may not be disclosed or copied by Seller unless authorized in advance by Buyer in writing. Upon Buyer's request, Seller shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Seller at the time of disclosure; or (c) rightfully obtained by Seller on a non-confidential basis from a third party.
- 18.9 Representations and Ratification. Seller will be bound by any representation or undertaking made by any of its agents or employees with respect to the specifications, quality, packaging, price, or conditions of delivery of the Goods. By accepting the Purchase Order, Seller ratifies any such representation or undertaking made by any of its agents or employees. The Purchase Order and the Terms and Conditions will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. If importation of the Goods results in the assessment of a countervailing duty on Buyer as the importer, Seller will reimburse such countervailing duty to Buyer, provided such reimbursement is permitted

under applicable laws and regulations. Seller will cooperate fully with the Buyer at Seller's expense in obtaining approvals of the Goods requested by Buyer from certifying organizations.

- 18.10 Change to these Terms and Conditions. Buyer may, from time to time and in its sole discretion, modify these terms and conditions as well as any other terms and conditions of the Order. All modifications shall be effective upon their publication on Buyer's website. It is Seller's responsibility to review Buyer's website for such modifications on a frequent basis. If Seller continues to provide Goods or perform Services following any such modification, such use will be deemed acceptance of such modification by Seller. Any modifications requested by Seller to any of the terms and conditions of the Order must be approved in writing by Buyer.
- 18.11 Entire Agreement. The Terms and Conditions constitute the complete and exclusive statement of the terms of the Purchase Order, are intended as a final expression of the terms of the Purchase Order and will supersede all prior and contemporaneous agreements, inducements or conditions, express or implied, oral or written. No course of prior dealings between the parties and no usage of trade will be relevant to supplement or explain any term herein. Buyer's acceptance or acquiescence in a course of performance rendered by Seller hereunder will not be relevant to determine the meaning of this contract even though Buyer has knowledge of the nature of the performance and opportunity for objection.