

THIS OFFER TO PURCHASE IS EXPRESSLY CONDITIONED ON SELER'S ACCEPTANCE OF THE FOLLOWING TERMS AND CONDITIONS, INCLUDING THOSE WHICH ARE DIFFERENT FROM OR IN ADDITION TO ANY TERMS CONDITIONS OF SELLER. BUYERS HEREBY OBJECTS TO ANY TERMS AND CONDITIONS OF SELLER'S WHICH ARE IN ADDITION TO OR DIFFERENT FROM THOSE APPERATING HEREIN.

1. ACCEPTANCE. Seller has read and understands this order and agrees that Seller's written acceptance of commencement of any work of service under this order shall constitute Seller's acceptance of there terms and conditions only. All terms and conditions prepared by Seller which are different from or in addition to this order are unacceptable to Buyer, are expressly rejected by Buyer, and shall not become a part of this order. Any modification of this order shall be made in accordance with Paragraph 31.

2. SHIPPING, BILLING AND FLSA CERTIFICATION. Seller agrees: (a) to properly pack and ship goods in accordance with the requirements of Buyer and insured carriers in a manner to secure lowest transportation cost; (b) to route shipments in accordance with instructions from Buyer; (c) to make no charge for handling , packaging, storage, transportation or cartage of goods unless otherwise stated in this order; (d) to provide with each shipment packing slips with Buyer's order number marked thereon, and (e) to properly mark each package with this order number. Seller further aggress: (a) to promptly render after delivery of goods or performance of services, correct and complete invoices to Buyer, and (b) to accept payment by check or at Buyer's discretion other cash equivalent (including electronic transfer of funds). Seller's invoice must include a certification that all goods were produced in compliance with the applicable requirements of section 6, 7 and 12 of the Fair Labor Standards Act, as amended and all regulations and orders of the United States Department of Labor issued in connection therewith.

3. PRICE AND PAYMENT. Prices and delivery charges are not subject o increase and are deemed to include all taxes not expressly imposed by law upon the Buyer. If price and delivery charges are not recorded on the face of this order, price and delivery charges shall be the same as of the last previous order given by Buyer to Seller. If the price and delivery charges include taxes or excises, and if such taxes or excises or any part thereof are hereafter refunded to Seller. Seller shall immediately pay Buyer such refund. In the event any of such prices are reduced prior to shipment, Buyer shall be liable only for such reduced price and Seller shall invoice Buyer accordingly. Seller herby acknowledges that it has reviewed any and all plans and specifications provided by the Buyer in connection with this offer to purchase and that such plans and specification are sufficient to produce the materials for the purposes intended and further that any required minor adjustments to such plans and specification to properly produce the materials shall not result in an increase of the price hereunder. The payment date is set forth on the face side of this order. Typical payment net 30 days or if not stated, shall be on the 30<sup>th</sup> day of the month following Buyer's receipt of a proper invoice (except as my otherwise by agreed upon by Buyer and Seller in connection with a program providing for electronic funds transfer). Terms for payment shall not begin until correct and complete invoices are received and Seller's cash discount privileges to Buyer shall extended until such time as payment is due. Buyer may withhold payment pending receipt of evidence in such form and detail as Buyer, of the absence of any liens, encumbrances and claims on the foods or services under this order.

4. DELIVERY SCHEUDLES. In the event materials or services purchased hereunder are not delivered within the time specified herein, Buyer may reject such materials or services and/or cancel the order. The acceptance of the late or defective deliveries shall not be deemed a waiver by Buyer of its right to cancel this order, or to refuse to accept further deliveries. Deliveries shall be made both in quantities and at times specified in Buyer's schedules. Buyers shall not be required to make payment for goods delivered to Buyer which are in excess of quantities specified in Buyer's delivery schedules. For order of goods where quantities and/or delivery schedules are no specified. Seller shall deliver goods in such quantities and times as Buyer may direct in subsequent releases. All materials purchased hereunder shall be delivered f.o.b. Buyer's place of business.

5. PREMIUM SHIPMENTS. If Seller's act or omissions result in Seller's failure to meet Buyer's delivery requirements and Buyer requires a more expeditious method or transportation for the goods than the transportation method originally specified by Buyer, Seller shall at Buyer's option (1) promptly reimburse Buyer the difference in cost between the more expeditious method and the original method, (ii) allow Buyer to reduce its payment of Seller's invoice by such difference or (iii) ship the goods as expeditiously as possible at Seller's expense and invoice Buyer for the amount which Buyer would have paid for normal shipment.

6. **CHANGES.** Buyer reserves the right at any time to direct changes or cause Seller to make changes, to drawings and specification of the goods or to otherwise change the scope of the work covered by this order, including work with respect to such matters as inspection, testing or quality control, and Seller agrees to promptly make such changes; any difference in price or time for performance resulting from such changes shall be equitably adjusted by Buyer after receipt of documentation in such form and detail as Buyer may direct. Any changes to this order shall be made in accordance with Paragraph 31.

7. **QUALITY SYSTEM DEVELOPMENT.** Seller shall implement and maintain Quality System development programs and develop their Quality System to QS 9000 Quality Standards. Sections One and Two and to work with their subcontractors to attain the same.

8. **INSPECTION.** Seller agrees that Buyer shall have the right to enter Seller's facility at reasonable times to inspect the facility, goods, materials and any property of Buyer covered by this order. Buyer's inspection of the goods; whether during manufacture, prior to delivery or within a reasonable time after delivery, shall not constitute acceptance of any work-in-process or finished goods. Buyer shall, within thirty (30) business days after receipt of material ordered hereunder give notice of any shortage or damage to Seller. Buyer shall have the right, at its option, to receive reimbursement from Seller for such shortages and/or damage, to return any and all damaged materials and receive the appropriate credit therefore, including return shipping charges.

9. **NONCONFORMING GOODS.** To the extent Buyer rejects goods as nonconforming, the quantities under this order will automatically be reduced unless Buyer otherwise notifies Seller. Seller will not replace quantities so reduced without a new order or schedule from Buyer. Nonconforming goods will be held by Buyer for disposition in accordance with Seller's instructions at Seller's risk. 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 Buyer at Buyer's option to charge Seller for storage and handling or to dispose of the goods, without liability to Seller. Payment for nonconforming goods shall not constitute an acceptance thereof, limit or impair Buyer's right to assert any legal or equitable remedy or relieve Seller's responsibility for latent defects.

10. **CONTENTS DISCLOSURE AND SPECIAL WARNINGS AND INSTRUCTIONS.** If requested by Buyer, Seller shall immediately furnish to Buyer in such form and detail as Buyer may direct (a) a list of all contents and ingredients in the goods purchased hereunder; (b) the amount of one or more contents and ingredients; and (c) information concerning any changes in or conditions to such contents and ingredients. Prior to and with the shipment of the goods purchased hereunder, Seller agrees to furnish to Buyer sufficient warning and notice in writing including appropriate labels on goods containers and packaging of any hazardous material which is an ingredient or part of any of the goods together with such special handling instructions as may be necessary to advise carriers. Buyer and their respective employees of how to exercise that measure of care and precaution which 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.

11. **WARRANTIES.** In addition to all warranties implied or heretofore expressed, Seller warrants that the materials or services ordered hereunder shall: (a) comply fully with the specifications, drawings, descriptions or samples furnished or specified by Buyer; (b) be merchantable, or first class material and workmanship and free from defects; and (c) be fit and sufficient for the purposes intended.

12. **INSOLVENCY.** Buyer shall have the unrestricted right to cancel and terminate the whole or any part of the materials, goods or services ordered hereunder, without cost or liability to the Buyer, if the Seller ceases to carry on business or becomes insolvent or bankrupt or is unable to meet its obligations as they become due, or makes an assignment for the benefit of creditors or otherwise acknowledges itself insolvent, or a trustee or receiver or manager or liquidator is appointed for Seller or any of its property, or bankruptcy, reorganization, arrangement, insolvency or similar proceedings shall be instituted by or against Seller under the laws of any jurisdiction.

13. **CANCELLATION FOR BREACH.** Buyer reserves the right to cancel all or any part of this order, without liability to Seller if Seller: (a) repudiates or breaches any of the terms of this order, including Seller's warranties; (b) fails to perform services or deliver goods as specified by Buyer; or (c) fails to make progress so as to endanger timely and proper completion of services or delivery of goods and does not correct such failure or breach within ten (10) days (or such shorter period of time if commercially reasonable under the circumstances) after receipt of written notice from Buyer specifying such failure or breach.

14. TERMINATION. Buyer may, in its sole discretion, cancel this order in whole or, from time to time, in part, by written notice thereof to Seller. Upon receipt of such notice, Seller shall immediately comply with the same and take any and all action necessary to minimize the cost, if any, resulting from such termination. Buyer shall pay Seller, without duplication, the order price for finished work accepted by Buyer and the cost to Seller of work-in-progress and raw material allocable to the canceled work, less (a) the reasonable value or cost (whichever is higher) of any items used or sold by Seller without Buyer's consent; (b) the agreed value of any items used or sold by Seller with Buyer's consent; and (c) the cost of any defective, damaged or destroyed work or material. Buyer shall not be liable for any finished goods, work-in-progress or raw materials which are held by Seller in the ordinary course of business.

15. LIMITATION ON SELLER'S DAMAGES. *Notwithstanding the preceding paragraphs, payments made under this Order shall not exceed the aggregate price specified in this order less payments otherwise made or to be made. In the event this order is terminated, Seller hereby agrees to waive all claims for damages, including consequential and/or special damages and those for loss of anticipated profits, and agrees to accept, as its sole remedy for such termination, the payment provided under this paragraph.*

16. REMEDIES. All claims for moneys due or to become due from the Buyer shall be subject to deduction by the Buyer of any setoff or counterclaim arising out of this or any other agreement between Buyer and Seller. The rights and remedies herein reserved to Buyer shall be cumulative and additional to any other or further rights and remedies available at law or in equity.

17. INTELLECTUAL PROPERTY. Seller warrants that the sale or use of the materials or services purchased hereunder shall not infringe or contribute to the infringement of any patent, registered industrial design or copyright issued in any jurisdiction. Seller agrees: (a) to defend, hold harmless and indemnify Buyer its successors and customers against all claims, demands, losses, suits, damages, liability and expenses including reasonable attorney fees arising out of any such claim or action for actual or alleged, direct or contributory infringement of or inducement to infringe any United States or foreign patent, trademark and copyright by reason of the manufacture, use or sale of the goods or services rendered including infringement arising out of compliance with specifications furnished by Buyer or for actual or alleged misuse or misrepresentation of a trade secret resulting directly or indirectly from Seller's actions; (b) to waive any claim against Buyer under the Uniform Commercial Code or otherwise, including any hold harmless or similar claim in any way related to a claim asserted against Seller or Buyer for patent, trademark and copyright infringement or the like including claims arising out of compliance with specifications furnished by Buyer; and (c) to grant Buyer a worldwide nonexclusive royalty-free irrevocable license to repair and have repaired to reconstruct and have reconstructed like goods ordered hereunder. Seller assigns to Buyer all right title and interest in and to all trademarks and copyrights material created for Buyer under this order.

18. TECHNICAL INFORMATION DISCLOSED TO BUYER. Seller agrees not to assert any claim (other than a claim for patent infringement) with respect to any technical information which Seller shall have disclosed or may hereafter disclose to Buyer in connection with the goods or services covered by this order.

19. TECHNICAL INFORMATION DISCLOSED TO SELLER. Seller agrees not to disclose to any third party any technical information which Buyer shall have disclosed or may hereafter disclose to Seller in connection with the goods or services covered by this order without the express permission of the Buyer.

20. BAILED PROPERTY. All designs, tools, jigs, patterns, drawings, information or equipment supplied by the Buyer for use in the manufacture of materials or provision of services hereunder, or the cost of which is substantially paid by Buyer, directly or indirectly shall be and remain the sole property of Buyer. Seller shall not use same in the design, manufacture or production or any materials or provision of services for Seller or the account of others. All such property, together with spoiled and surplus material, shall be returned to the Buyer at termination, cancellation or completion of this order unless Buyer shall otherwise direct.

21. INDEMNIFICATION. Seller shall defend, indemnify and hold Buyer its successor's assigns, agents, employees and customers harmless from and against any and all claims, losses, damages, consequential or otherwise and expenses (including legal fees and disbursements) resulting from or arising out of any: (a) breach of Seller's warranties, expressed or implied; (b) products liability claim relating to the material or services purchased hereunder; or (c) act or omission of Seller or its employees, agents, or contractors. In addition, if Seller performs any work on Buyer's premises or utilizes the property of Buyer whether on or off Buyer's premises, Seller shall indemnify and hold Buyer harmless from and against any liability, claims, demands or expenses including reasonable attorney fees for damages to the property or injuries (including death) to Buyer, its employees or any other person arising from or in connection with Seller's performance

of work or use of Buyer's property, except for such liability, claim or demand arising out of the sole negligence of Buyer.

22. **INSURANCE.** Seller shall maintain insurance coverage in such amounts and with such coverage's as may be customary for Seller's industry or as may be otherwise specified by the Buyer, including, without limitation: (a) Workers' Compensation – Statutory Limits for the State or States in which this order is to be performed to evidence of authority to sell insurance; (b) Employer's Liability, (c) Comprehensive General Liability, (d) Automobile Liability; and (e) Product Liability. At Buyer's request, Seller shall furnish to Buyer certificates of insurance setting forth the amount(s) of coverage, policy number(s) and date(s) of expiration for insurances maintained by Seller. Seller's purchase of appropriate insurance coverage or the furnishing of certificates of insurance shall not release Seller or its obligations or liabilities under this order.

23. **WAIVER OF LIENS.** Seller hereby waives and relinquishes all liens and claims, statutory or otherwise, which Seller now has or may hereafter have as a result of services and materials furnished by Seller or Buyer in performance of this order.

24. **GOVERNMENT COMPLIANCE.** Seller agrees to comply with all federal, state and local law, executive orders, rules, regulations and ordinances, including, without limitations, those regarding the environment, health and safety which may be applicable to Seller's performance of its obligations under this order, and including, without limitations (a) all provisions of 41 C.F.R. 60-1.4 as amended, pertaining to the equal opportunity clause in government contracts, (b) all provisions of 41 C.F.R. 60-250, as amended pertaining to affirmative action for disabled veterans of the Vietnam Era, and (c) all provisions of 41 C.F.R. 60-741, as amended, pertaining to affirmative action for handicapped workers. Seller certifies that it is an equal opportunity employer and that it is in compliance with all applicable provisions of 41 C.F.R. 60-1, including but not limited to: (a) developing and presently having in full force and effect a written affirmative action compliance program for each of its establishments as required by 41 C.F.R. 60-1.40, as amended; (b) filing EEO-1 Reports as required by 41 C.F.R. 60-1.7, as amended and; (c) neither maintaining segregated facilities nor permitting its employees to perform services at segregated facilities as prohibited by 41 C.F.R. 60-1.8, as amended.

25. **NO IMPLIED WAIVER.** The failure of either party at any time to require performance by the other party of any provision of this order shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver of either party of a breach any provision of this order constitute a waiver of any succeeding breach of the same or any other provision.

26. **NON-ASSIGNMENT.** Seller may not assign or delegate its obligation under this order without Buyer's prior written consent.

27. **THIRD PARTIES.** In the event that Buyer consents to Seller using any sub-contractor or supplier to perform any obligation under this order in accordance with Paragraph 31: (a) Seller shall not be relieved of any of its obligations hereunder; (b) Seller shall require such sub-contractor and supplier to abide by the terms and conditions of this order; and (c) in no event shall Buyer be subject to any provisions of any such agreement between Seller and such sub-contractor or supplier.

28. **RELATIONSHIP OF PARTIES.** Seller and Buyer are independent contracting parties and nothing in this order shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either party any authority to assume or to operate any obligation on behalf of or in the name of the other.

29. **GOVERNING LAW.** This order is to be construed according to the laws of the State of Michigan.

30. **SEVERABILITY.** If any terms of this order is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this order shall remain in full force and effect.

31. **ENTIRE AGREEMENT.** This order together with the attachments, exhibits, or supplements, specifically referenced in this order, constitutes the entire agreement between Seller and Buyer with respect to the matter contained herein and supersedes all prior oral or written representations and agreements. This order may only be modified by a purchase order, amendment or alteration issued and signed by Buyer.