



## RES MFG STANDARD PURCHASE ORDER TERMS AND CONDITIONS

### 1. Acceptance, Entire Agreement, and Modification:

A. Each purchase order or purchase order revision (“Order”) issued by Res Manufacturing Company (“Buyer”) is an offer to the seller identified on the Order (“Seller”) for the purchase of goods and/or services (collectively, “Goods”) and includes and is governed by these standard purchase order terms and conditions of purchase (“Purchase Order Terms and Conditions”). All goods and products (tangible and intangible) and services to be provided under this Order are included in the term of “Goods.” The Order does not constitute an acceptance of any offer or proposal made by Seller. Any offer or proposal made by Seller is specifically rejected.

B. Acceptance of this Order shall be strictly limited to the terms of the Order and these Purchase Order Terms and Conditions. Seller accepts the Order, including these Purchase Order Terms and Conditions, by (i) accepting the Order in writing, (ii) commencing any work or performance under the Order, or (iii) any other conduct that recognizes the existence of a contract with respect to the subject matter of the Order. Buyer rejects any additional or inconsistent terms and conditions offered by Seller at any time and irrespective of Buyer’s acceptance of or payment for Seller’s Goods.

C. This Order, together with these Purchase Order Terms and Conditions, and the attachments, exhibits, specifications and supplements specifically referred to in this Order, are intended by the parties as a complete and exclusive statement of the terms of their agreement. It supersedes all prior agreements, written or oral. In addition, any other purchasing manuals, guidelines and requirements available and updated from time to time through authorized links provided on the Buyer’s website are incorporated by reference. No course of prior dealings between the parties and no usage of the trade may be used by Seller to supplement or explain any term used in the Order. Any terms or conditions included on any quotation, invoice, acknowledgement or otherwise are expressly not incorporated into the Order and will have no force or effect whatsoever.

D. Except with respect to changes as set forth in section 8 and shipping instructions as set forth in section 10, any modification of these Purchase Order Terms and Conditions must be expressly stated in the Order or in a writing signed by an authorized officer of Buyer expressly referring to the Order and evincing an intent to modify the terms of the Order. No oral modification or modification by email correspondence will be binding on Buyer.

**2. Invoices:** All invoices, packing slips, and advance shipping notices for Goods shipped pursuant to this Order must reference the Order number, Buyer’s part number, manufacturing lot number or heat number, date of manufacture, barcode (when required), quantity of pieces in the shipment, number of cartons or containers, Seller’s name and number and bill of lading number, before any payment will be made by Buyer for the Goods. Buyer reserves the right to return all invoices or related documents submitted incorrectly, and payment terms will be determined as of the date of the last correct invoice or advanced shipping notice received. Where Goods are not supplied in accordance with the Order, Buyer shall be entitled to withhold payment of the respective amount of the price until Seller has fulfilled its obligations in full.

### 3. Prices, Taxes:

A. Prices and payment terms are set forth on the Order. If payment terms are not stated in the Order, Seller's invoices will be payable on the first Friday which is the later of sixty (60) days following the date of Buyer's receipt of the (i) Goods or (ii) Seller's invoice.

B. Seller warrants that the prices in the Order are fixed and complete, and are not subject to increase for any reason, including, but not limited to, increases in raw material or component costs (because of tariffs or otherwise), labor costs, or overhead costs. Prices may be subject to mandatory decreases if so provided in the Order. Seller is solely responsible for any and all material surcharges, transport and unloading charges and costs, packaging, labeling, custom charges and costs, taxes, tariffs, duties, storage, handling, insurance charges and costs, boxing and crating, and any fiscal contribution related to the Goods. By accepting the Order, Seller accepts the risk of any increase in costs and any other eventuality that may result in a loss to Seller, including, without limitation, with respect to tariffs. Seller may not under any circumstances increase the Order price or refuse to perform or deliver based on increased costs, loss of anticipated profits, inaccurate or erroneous data used in Seller's quotations, unrealized assumptions, unforeseen circumstances (including, without limitation, tariffs), regulations, industry changes, or any other reason except as expressly set forth in the Order, these Purchase Order Terms and Conditions, or Buyer's express written authorization.

C. In addition to any right of setoff or recoupment provided or allowed by law, all amounts due Seller, or any of its subsidiaries or affiliates shall be considered net of indebtedness or obligations of Seller, or any of its subsidiaries or affiliates to Buyer, and Buyer may setoff against or recoup from any amounts due or to become due from Seller, or any of its subsidiaries or affiliates to Buyer however and whenever arising. In the event that Buyer reasonably feels itself at risk, Buyer may withhold and recoup a corresponding amount due Seller or any of its subsidiaries or affiliates to protect against such risk.

### 4. Buyer's Property:

A. The right, title and interest to all supplies, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, designs, drawings, specifications, spare parts, trial parts, ancillary products, items owned by Buyer and all other items furnished by Buyer or its customers to Seller for use in Seller's performance of the Order, including use in the manufacture of the Goods, or for which Buyer or its customers have reimbursed Seller or have agreed to reimburse Seller ("Buyer's Property"), shall at all times be and remain the property of Buyer or its customers. Seller shall bear the risk of loss of and damage to Buyer's Property. Seller will: (i) properly house and maintain the Buyer's Property on Seller's premises; (ii) not use the Buyer's Property for any purpose other than for performance under the Order; (iii) prominently mark the Buyer's Property as property of Buyer; (iv) refrain from commingling the Buyer's Property with the property of Seller or with that of a third party; (v) adequately insure the Buyer's Property against loss or damage, including but not limited to maintaining full fire and extended coverage insurance for replacement value and naming Buyer as the loss payee and an additional

insured; (vi) ensure that the Buyer's Property does not become subject to any liens or other claims; and (vii) not move the Buyer's Property to another location whether owned by Seller or a third party, without the prior written consent of Buyer. Buyer will have the right to enter Seller's premises at reasonable times to inspect the Buyer's Property and Seller's records pertaining to it.

B. Seller expressly waives and releases, and agrees not to file or otherwise assert, prosecute or suffer to permit any statutory, equitable or other liens, including but not limited to any molders liens, moldbuilder liens, special tool liens, artisan's liens, warehouseman's liens, and the like that Seller has or might have on or in connection with the Buyer's Property. Seller specifically waives any and all liens for work performed, including but not limited to, designing, manufacturing, improving, maintaining, servicing, using, assembling, fabricating or developing the Buyer's Property and Goods, and for amounts owed or that may become owing by Buyer. Seller hereby agrees to indemnify, defend and hold Buyer harmless from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including without limitation all actual attorneys' fees, costs of litigation, settlement costs, and all other costs and expenses that are in any way related to releasing, terminating or otherwise removing any lien placed on the Buyer's Property.

C. Without limiting Buyer's remedies, at Buyer's demand, Seller will assign to Buyer any claims Seller has against third parties with respect to Buyer's Property.

D. Seller is a bailee at will with respect to Buyer's Property, and Buyer has an absolute right to take possession of Buyer's Property at any time. Upon written request, Seller shall immediately deliver the Buyer's Property at Buyer's option F.O.B. Seller's facility (Ex Works Loaded), according to Incoterms 2010 if applicable, and properly packed and marked in accordance with the requirements of the carrier and Buyer. Seller will cooperate with Buyer's removal of the Buyer's Property from Seller's premises, and shall remain responsible for any damage to Buyer's Property until Buyer takes possession or accepts delivery.

E. Unless otherwise agreed to in writing by Buyer, Seller at its own expense shall maintain, repair and refurbish Buyer's property in first class condition including repair necessitated by wear and tear and other usage by Seller. All replacement parts, additions, improvements, accessories, secondary equipment, and materials for Buyer's Property shall become Buyer's Property upon their incorporation into or attachment to Buyer's Property. Seller will pay all personal property taxes for Buyer's Property in Seller's possession or under its control.

F. Buyer has not made and does not make any representations, guarantees, or warranties of any Buyer's Property or any designs, drawings, data, supplies or material furnished by it. Buyer expressly disclaims any warranty or representation whatsoever either express or implied, as to the fitness, condition, merchantability, design or operation of Buyer's Property or its fitness for any particular purpose. Seller assumes sole responsibility for inspecting, testing and approving all Buyer's Property, and for verifying function, accuracy, precision, availability and suitability of Buyer's Property and other materials supplied by Buyer prior to any use by Seller.

G. Buyer will not be liable for and Seller shall assume all risk of death or injury to persons or damage to property arising from use of, maintenance, repair, assembly, disassembly, testing, shipping or storage of the Buyer's Property or other materials supplied by Buyer. Seller hereby agrees to indemnify, defend and hold Buyer harmless from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including without limitation all actual attorneys' fees, costs of litigation, settlement costs, and all other costs and expenses relating to Seller's use of, maintenance, repair, assembly, disassembly, testing, shipping or storage of Buyer's Property. Seller agrees that it will comply with obligations in these Purchase Order Terms and Conditions to release Buyer's Property notwithstanding any offsetting claim that it may have against Buyer.

**5. Material, Lot Control, and Traceability:** If requested by Buyer, Seller will provide material certifications, statistical process control data and all required test data as specified on the prints or other technical standards, math data, drawings, designs and any other information relating to the Goods. Seller shall also maintain lot control traceability in such manner that each shipment pursuant to this Order shall be traceable through the manufacturing process and with respect to materials contained herein.

**6. Drawings and Data:** All drawings, data, designs, engineering instructions, models, specifications or other technical information, written, oral or otherwise, supplied by or on behalf of Buyer specifically in connection with performance of this Order and all information obtained therefrom or as a result thereof shall be and remain the property of Buyer. Unless otherwise specified by Buyer, all such information is confidential and Seller agrees to protect the confidentiality of the information as set forth in section 27, below.

**7. Service Parts:**

A. In addition to Seller's other delivery obligations under the Order and these Purchase Order Terms and Conditions, Seller shall sell, at Buyer's written request, all Goods necessary for Buyer to fulfill Buyer's and its customer's service and replacement parts requirements for its current model year at the then-current production prices plus any actual net cost differential for required unique packaging.

B. For 15 years after termination of the current model production of the vehicle involved, Seller shall sell to Buyer, at Buyer's written request, quantities of Goods sufficient to fulfill 100% of Buyer's and its customers' service and replacement parts requirements for past model years. For the first five (5) years of past model service, the prices shall be as specified in the last Purchase Order for current model production plus any actual net cost differential for required unique packaging. For the next ten (10) years of past model service or such longer period as Buyer's customer requires service parts, the prices shall be as specified in the last Purchase Order for current model production plus any actual net cost differential for required unique packaging, plus any actual net cost differential for manufacturing costs as mutually agreed between Buyer and Seller. If a dispute arises between Seller and Buyer regarding the price of service or replacement parts under this section, Seller shall continue to supply Buyer's requirements for service and replacement parts at the production prices set forth in the Purchase Order pending resolution of such dispute.

**8. Changes:** During performance of this Order, Seller may not make any changes in the design of Goods to be furnished by Seller under this Order, terminate or modify this Order or any Release (as defined in section 10, below) issued under it or obtain an adjustment in price for any reason without advance request to and written approval by Buyer. Buyer may, at any time, amend this Order or otherwise make changes to this Order, including but not limited to changes in any one or more of the following: (i) drawings, designs or specifications for the Goods, (ii) method of shipment or packing; (iii) place or time of inspection, delivery, or acceptance; and (iv) the amount of any Buyer furnished property. Buyer's changes are effective only if made in writing and signed by an authorized representative of Buyer. Any changes are strictly limited to the changes expressly set forth in writing by Buyer. The changes will not result in any price increase or extension of Seller's time for performance under the Order, and will not otherwise relieve Seller of any of its obligations except as agreed by Buyer in writing. Seller may provide Buyer with written notice of a request for an adjustment of the price, extension of Seller's time for performance, or reimbursement of costs resulting from the changes within ten (10) days after Buyer's notice to Seller of the changes. Seller shall provide Buyer with such additional information including invoices and agreements as Buyer may reasonably request in order to permit Buyer to evaluate Seller's request. After auditing Seller's request, Buyer may, in its sole and unfettered discretion, make an equitable adjustment in price (up or down), extend Seller's time for performance, or agree to reimburse Seller for costs. Seller may request reimbursement only for actual costs incurred by Seller as a direct result of the changes as determined by Buyer in its sole discretion. In no event will Seller be entitled to any adjustment or reimbursement for overhead costs, financing expenses, lost business, or any non-direct cost or expense. Where the cost of property rendered obsolete or excess as a result of the changes is included in the Seller's request for reimbursement, Seller's request may include no more than four (4) weeks of raw materials and one (1) week of work in process or finished Goods, and, if the request is granted, Buyer will have the right (but not the obligation) to take title to such items and prescribe the manner of disposition of them. Nothing in this section excuses Seller from timely performance of all its obligations under this Order as changed. In the event that any materials used by Seller in making the Goods become unavailable, Seller agrees to locate a source for, and propose to Buyer, alternative materials for use in making the Goods. Buyer shall, in its sole discretion, determine whether the use of such alternative materials is acceptable.

**9. Stop Work Orders:** Buyer may at any time, by a written notice to Seller ("Stop Work Order"), stop all or part of the work under this Order until further written notice from the Buyer at any time during the work stoppage. Buyer may, with respect to all or any part of the work covered by the Stop Work Order, either cancel the Stop Work Order or terminate this Order in accordance with the termination provisions of these Purchase Order Terms and Conditions. If a Stop Work Order has a material effect on cost or delivery, Seller may submit to Buyer a claim for equitable adjustment, and Buyer, after reviewing Seller's claim, may make an equitable adjustment in the price or the delivery schedule or both in Buyer's sole discretion. It shall be the responsibility of the Seller to submit a written claim for equitable adjustment to Buyer in writing within twenty (20) days after the Stop Work Order. The claim may include only actual costs incurred by Seller as a direct result of the Stop Work Order as determined by Buyer in its sole discretion.

#### **10. Deliveries and Shipments:**

A. Seller shall make deliveries under this Order in accordance with Buyer's releases. "Release" means any written or electronic notification to Seller, including any notice under any EDI (as defined in section 13) system authorizing, directing or requiring Seller

to ship Goods under this Order. Time is of the essence, and Seller's obligations relating to time for production and/or delivery of the Goods are integral parts of and conditions of this Order. Seller shall not procure, fabricate, assemble or ship any Goods except to the extent authorized by Buyer in written Releases. Unless otherwise specified on the face of this Order, no variation on the quantity of any Goods is authorized and Buyer may reject a delivery that varies in the quantity authorized for shipment. Goods shipped in advance of Buyer's delivery schedule may be returned at Seller's expense.

B. If delivery of the Goods is likely to be delayed, Seller shall notify Buyer in advance immediately after the event that may cause a delay or as soon as Seller has knowledge of a possible delay, whichever is earlier. Notice is a separate obligation of Seller and does not release Seller from its liabilities for all costs, losses and consequential damages resulting from incomplete or delayed delivery, and is without prejudice to Buyer's other available rights and remedies under these Purchase Order Terms and Conditions and at law and equity.

C. Seller acknowledges and agrees that money damages would not be a sufficient remedy for any actual, anticipatory or threatened breach of this Order by Seller with respect to its delivery of Goods to Buyer and that, in addition to all other rights and remedies which Buyer may have at law, equity or under these Purchase Order Terms and Conditions, Buyer is entitled to specific performance and temporary, preliminary and permanent injunctive or other equitable relief as a remedy for any breach by Seller, without proof of actual damages and without bond or other security being required.

D. Seller shall be responsible for all Seller's costs and losses due to Seller's failure to follow Buyer's shipping instructions. Buyer reserves the right to revise or amend the shipping instructions. In the event that delivery is late, Seller must ship at its expense all late shipments by express or other priority methods of delivery as may be specified by Buyer. Seller is responsible for costs and damages incurred by Buyer, directly or indirectly, including, but not limited to, production line shutdowns of the Buyer or Buyer's customers as a result of or caused by actual or threatened late delivery and all costs and expenses to expedite delivery and mitigate damages due to actual or threatened late delivery.

## **11. Quantity/Duration:**

A. Unless otherwise expressly stated in the Order or other agreement signed by an authorized representative of Buyer, if no quantity is stated on the face of the Order or if the quantity is blank or specifies the quantity as zero, "blanket," "blanket order," "as released," "as scheduled," "as directed," "subject to Buyer's production releases," or similar terms, then, subject to the Purchase Order Terms and Conditions, Buyer will purchase from Seller, and Seller will supply to Buyer, Buyer's requirements for Goods, as specified by Buyer in Releases it issues to Seller. Buyer is required to purchase no less than one piece or unit of each of the Goods and no more than those quantities identified in firm Releases transmitted by Buyer to Seller; for services, Buyer is required to purchase such services only to the extent expressly stated in a firm Release issued by Buyer. Unless the Order specifically provides that Seller shall produce one hundred percent (100%) of Buyer's requirements for the Goods, Buyer shall have the right to obtain a portion of the Goods from another party. Notwithstanding any other agreement

between Buyer and Seller, Buyer is not required to purchase Goods from Seller if Seller is in default of this Order and these Purchase Order Terms and Conditions. Continued purchasing by Buyer after a default by Seller is not a waiver or election of remedies, and will be without prejudice to all Buyer's rights and remedies.

B. Unless otherwise stated in the Order, the duration of this and each Order shall be for the life of the program(s) into which the Goods ultimately are incorporated, including any extensions of the program(s), plus applicable service and replacement parts requirements ("Duration"). Seller agrees to continue producing and delivering parts to Buyer under this Order and these Purchase Order Terms and Conditions for the entirety of the Duration, without any right to modification based on changed market conditions or otherwise. Seller acknowledges that it bears the risk of any extension of the life of the program(s) beyond the length contemplated when the Order is entered into and/or the program(s) being cancelled. Buyer and Seller acknowledge that this subsection (B) does not affect or otherwise change the Buyer's right of termination as set forth in these Purchase Order Terms and Conditions.

C. From time to time and in connection with quotations, requisitions and Orders, Buyer may provide Seller with estimates, forecasts or projections of its future volume or quantity requirements for the Goods and/or the term of a program ("Projections"). Projections, unlike a Release for a firm quantity, are not binding on Buyer. Seller acknowledges that 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. Buyer makes no representation, warranty, guaranty or commitment of any kind or nature, express or implied, regarding any Projections or other estimate, forecast or projection provided to Seller, including as to its accuracy or completeness. Seller accepts that Projections may not be accurate and that actual volume or duration could be less than or greater than the projections. Seller acknowledges that this risk, and possible reward, is an aspect of the automotive industry.

**12. Customs and Origin:** For customs purposes, Seller will prepare and expedite any and all required forms and submit them to Buyer within fourteen (14) days of Seller's receipt of the forms. Seller shall attach to the shipping documents a commercial invoice in duplicate. Should additional documents be required in order to provide proof of the intended use of the Goods delivered or for any other customs purposes, Seller must timely procure all the required documents for Buyer and make them available to Buyer at Seller's cost. Seller is bound by and warrants the accuracy of all invoices, documents, and information furnished to Buyer by Seller or its agent for export, entry, or other purposes.

**13. Electronic Data Interchange:** Seller will, at Buyer's request, connect to Buyer's electronic data interchange ("EDI") system and will comply with Buyer's guidelines and policies with respect to the EDI system

**14. Inspection, Risk of Loss, Acceptance or Rejection, and Quality Control:**

A. Title to and risk of loss or damage to the Goods passes from Seller to Buyer at the time of delivery of the Goods to Buyer at Buyer's designated location.

B. Buyer reserves the right to inspect the Goods. Buyer may reject any Goods that are defective, damaged, non-conforming, or in breach of Seller's warranties at any time. Payment to Seller shall not be construed as acceptance by Buyer or agreement by Buyer that the Goods conform to these Purchase Order Terms and Conditions. Any inspection or testing by Buyer does not limit the continuing validity and enforceability of any of Seller's warranties or relieve Seller of its obligations under these Purchase Order Terms and Conditions. Seller may revoke acceptance if Buyer subsequently determines that the Goods are non-conforming or Buyer accepted the Goods with the expectation that any non-conformity would be cured, and Seller fails to timely cure. In the event of Buyer's rejection of any Goods or revocation of acceptance, for whatever reason, risk of loss or damage will be treated as never having passed to Buyer and has having rested at all times with Seller. Defective or nonconforming Goods may be returned to Seller for full credit and at Seller's risk and expense, including transportation charges both ways.

C. At reasonable times during the period of Seller's performance under this Order, including the period of manufacture, Buyer and its customers may inspect and/or test the Goods at the plants where Seller's work is being performed or where the Goods are being produced, manufactured designed, and/or stored, including the facilities of the Seller's suppliers, and Seller will provide, without additional charge, reasonable facilities and assistance for safe and convenient inspection and testing. Any inspection does not obviate any warranty or constitute acceptance of the Goods or otherwise relieve Seller of its obligations under these Purchase Order Terms and Conditions.

D. Seller will provide and maintain quality control and inspection systems acceptable to Buyer. Additionally, Seller agrees to comply with the requirements stated in the IATF 16949 and ISO 9001 Standard. Buyer reserves the right at its discretion to revise or amend its quality control and inspection systems at any time.

E. Seller must adhere to current AIAG APQP PPAP guidelines and methods. Seller must provide a control plan that identifies pass through, critical, and safety characteristics upon submission for PPAP. Any Seller whose products or services are used in automotive applications, or upon request by Buyer, is required to submit IMDS information to Buyer.

**15. Notice of Labor Disputes:** Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Order, Seller will immediately give written notice to Buyer, including all relevant information with respect to the delay or potential delay. Seller further agrees to notify Buyer in writing at least sixty (60) days prior to the expiration of any collective bargaining agreement to which Seller or any of Seller's suppliers are party. Seller agrees to insert the substance of this section, including this sentence, in all purchase orders and subcontracts relating to this Order issued by Seller to Seller's suppliers.

#### **16. Warranties:**

A. Seller warrants and represents that all Goods and services furnished hereunder are and will be (a) in strict compliance with the specifications, samples, drawings, designs or other requirements (including performance specifications) approved or adopted by Buyer: (b) merchantable, of good material and workmanship, and free from all defects

including but not limited to design, workmanship and materials; (c) selected, designed, manufactured, assembled and installed (as applicable) by Seller based on Buyer's intended use, and fit and sufficient for the use and purpose intended by Buyer; (d) in strict compliance, as of the date of delivery, with then all applicable industry standards, quality control and inspection standards including but not limited to IATF 16949, ISO 9001 Standard, and all similar quality system standards, and all statutes, rules and regulations, of any kind or nature, including those promulgated by any government or governmental agency in the United States and in countries in which Buyer has informed Seller the Goods furnished hereunder and/or the Goods into which such Goods are to be incorporated are likely to be used; (e) free from all liens and encumbrances; and (f) free from all patent, trademark, copyright, trade secret or other intellectual property right infringement or claims.

B. Approval by Buyer of Seller's design, drawings, specifications, samples, etc. does not waive or limit any warranty. Seller shall reimburse Buyer for all costs (including labor charges, cost of replacement parts, dealer handling charges and any other expenses) incurred by Buyer as a result of Seller's breach of any warranty. There are no exclusions, limitations, or disclaimers of warranties other than those that may be expressly recited in these Purchase Order Terms and Conditions. Notice of breach of warranty will be sufficient if given by Buyer within one hundred eighty (180) days after discovery by Buyer. Notice may be given orally or in writing.

C. As to each of the Goods, each of Seller's warranties in the Order and these Purchase Order Terms and Conditions begins on the date of delivery to Buyer and continues until the last to occur of the following: (a) the expiration of all warranties made by Buyer to its customer(s) concerning Buyer's product incorporating the Goods, (b) the expiration of the longest time period which Buyer's customer may be required, by contract or law, to repair or replace the Goods or Buyer's product incorporating the Goods if the Goods are defective or nonconforming to any warranties, or (c) five years after delivery. The statute of limitations period applicable to any breach of warranty will be the longest statute of limitation period for breach of contract, products liability, or indemnity claims in any jurisdiction of the United States or, in the case of any recall campaign, the longest time period dictated by the U.S. federal, state, or foreign government where the Goods are used.

D. All warranties are intended to provide Buyer with protection from any and all warranty claims brought against Buyer by its customer. This includes, but is not limited to, meeting any customer-required warranties relating to the Goods or products into which the Goods are incorporated. All such customer-required warranties are incorporated by reference.

E. Seller will immediately notify Buyer in writing if Seller learns of any facts, circumstances or conditions, the existence of which causes or threatens to cause imminent breach of any warranties or interruption in Seller's production of Goods.

F. To mitigate its damages, Buyer may defend any claim that any Goods supplied by Seller are defective, in breach of warranty, or otherwise do not meet applicable legal or contractual requirements because such claim may attempt to hold Buyer responsible for problems caused in whole or in part by Seller. Such defense is in the interest of both

Seller and Buyer. Seller waives the right to argue that the fact that Buyer took any such position in any way limits Buyer's right to assert a claim against Seller by Buyer for breach of warranty, contribution, indemnification, or any other claim that may arise from or be related to the subject matter of any of the foregoing.

#### **17. Defective or Nonconforming Goods/Breach of Warranty, Remedies:**

A. In the event of Seller's delivery of defective or nonconforming Goods or Seller's breach of any warranty or other breach of Seller's obligations under this Order and these Purchase Order Terms and Conditions, and for any other documents, manuals, and specifications referenced and incorporated in the this Order and/or these Purchase Order Terms and Conditions (a "Breach"), Buyer may exercise one or more of the following remedies:

- (a) Buyer may recover from Seller any costs of removing the Goods from property, equipment, or products in which the Goods have been incorporated and any additional costs of reinstallation, reinspection and retesting;
- (b) Buyer may return the Goods at Seller's risk and expense (or otherwise dispose of the Goods at Seller's expense as mutually agreed between Buyer and Seller) and
  - (i) recover from Seller the price paid for the Goods;
  - (ii) purchase or manufacture or have manufactured similar or the same Goods and recover from Seller all costs and expenses, including any costs and expenses incurred in expediting the manufacture and delivery of the replacement Goods, and all launch and start-up costs, if applicable; or
  - (iii) require Seller, at Seller's expense, to promptly replace or correct the Goods and pending redelivery to pay to Buyer any amount theretofore paid for such Goods;
- (c) accept or retain the Goods and equitably reduce their price based on (i) the loss in value resulting from the Breach and (ii) all costs and expenses, including legal fees, incurred or likely to be incurred by Buyer as a result of the Breach.

B. In addition to Buyer's remedies set forth above, Seller is liable to Buyer for injunctive relief, lost profits, and all special, incidental, and consequential damages resulting in any way from a Breach by Seller, whether the losses or damages are caused directly or indirectly by Seller's Breach. Exercise by Buyer of any or all of its rights under this section 17 is not an election of remedies. All remedies are cumulative of all rights of Buyer under this Order, these Purchase Order Terms and Conditions, and any other agreement with Seller, and Buyer's rights at law and equity.

C. The indemnification and hold harmless provisions set forth in section 24 apply to any Breach by Seller under this section, and enforcement of such provisions is an additional remedy of Buyer.

D. Upon receipt of notice of defective or nonconforming Goods, Seller must quarantine any Goods with the same or similar defects or nonconformities, and conduct a root cause analysis and implement final correct action within 2 weeks after receipt of notice.

**18. Grounds for Insecurity; Adequate Assurance of Performance:** When, in Buyer's good faith opinion, reasonable grounds for insecurity arise with respect to Seller's performance, Buyer may demand from Seller adequate assurance of future performance. If Buyer requests

assurance of performance from Seller and Seller fails to provide assurances that Buyer, in its discretion, deems adequate, Buyer may, at its option, treat this Order as repudiated by Seller. In the event of repudiation, Buyer will have all rights and remedies provided under section 17 of these Purchase Order Terms and Conditions, in addition to all other rights and remedies provided in this Order, these Purchase Order Terms and Conditions, any other agreement with Seller, and at law or equity. Without limitation, any breach by Seller under this Order or any other contract or agreement between Buyer and Seller (or any of their respective affiliates), or any breach of warranty by Seller constitutes reasonable grounds for Buyer's insecurity. Seller agrees that if Seller repudiates any Order or Release, Buyer may, in its sole discretion, elect to treat only that Order or Release as repudiated, or may elect to treat all Orders and Releases between Buyer and Seller as repudiated.

**19. Recall:** In the event any of the Goods are defective or nonconforming, fail to meet any motor vehicle safety standards, constitutes a safety related defect, including but not limited to failure to meet industry state of art, or Seller otherwise breaches its warranty obligations with respect to the Goods, and Buyer, Buyer's customer, the National Highway Traffic Safety Administration or other appropriate governmental agency or nongovernmental organization orders or requests that a Recall Campaign or remedial action in lieu of a Recall Campaign be undertaken, Seller will bear the cost and expense of any Recall Campaign or remedial action and will, without charge, provide replacement Goods (conforming and free from defect) as needed. Seller will reimburse Buyer for all costs, damages and expenses incurred by Buyer or its related entities either directly or indirectly arising out of a Recall Campaign or remedial action in which any Goods supplied by Seller are alleged to be defective, nonconforming or to breach a warranty by Seller. Buyer will give written notice to Seller, keep Seller informed and consult with Seller on actions to be taken. Seller will immediately notify Buyer of any information Seller may possess regarding any incidents related to the Goods or substantially similar Goods, and agrees to fully cooperate with Buyer in responding to inquiries by any Federal and State agency related to the Goods or any product incorporating the Goods. Buyer will have the right to perform a full investigation including but not limited to inspection and testing of the Goods and products involved, vehicle history, reports, analysis, and tests performed by or in the possession of Seller. Seller agrees to supply to Buyer all field and production tests, repair/replacement parts for products requested or required by Buyer to correct any defect or alleged defect in the Goods supplied by Seller. Seller will indemnify and hold Buyer harmless for all costs, expenses, and losses relating, directly or indirectly, to any Recall Campaign or remedial action, or portion thereof, resulting from defective or non-conforming Goods, or any other breach by Seller of its obligations under this Order and these Purchase Order Terms and Conditions. The term "Recall Campaign" means any systematic effort to locate Goods, suspected, believed to be, or known to be defective and installed in vehicles or vehicle components, and to replace, repair, modify or correct such Goods regardless of whether the Recall Campaign is initiated by Buyer, Buyer's Customer, any governmental or regulatory body, or any other entity.

## **20. Termination:**

### **A. Termination for Convenience:**

1. In addition to any other rights of Buyer to cancel or terminate this Order or any Releases issued under this Order, Buyer may at its option immediately terminate all or any part of this Order or any Releases issued under this Order for Buyer's convenience, at any time and for any or no reason by giving written notice to

Seller. Upon receipt of a notice of termination, Seller, unless otherwise directed by Buyer, is required to: (a) terminate promptly all work under this Order; (b) transfer title and deliver to Buyer the finished work, the work-in-progress and the parts and materials which Seller procured or acquired in accordance with this Order and issued Releases; (c) settle claims by subcontractors, if any, only for actual costs that are rendered unrecoverable by the termination; and (d) take actions reasonably necessary to protect property in Seller's possession in which the Buyer has an interest. If Buyer provides a notice of termination with a prospective termination date, Seller must continue producing and delivering Goods under Buyer's Releases until the termination date, and must cease all purchases, production, and other work under this Order except as necessary to meet Releases through the effective date of termination.

2. Upon termination for convenience and subject to section 21, Buyer is obligated to pay to Seller only the following amounts without duplication: (a) the Order price for all conforming Goods which have been completed in accordance with Buyer's Releases and meet all specifications and warranties stated in this Order and these Purchase Order Terms and Conditions; (b) Seller's reasonable actual costs of the work-in-progress, parts, and material furnished to Buyer in accordance with the provisions of this subsection 20.A; (c) Seller's reasonable actual costs of settling with its subcontractors provided that (i) Seller obtains Buyer's prior approval of the settlement amount and (ii) Seller's obligations to its subcontractors for termination is limited to the same extent as Buyer's obligations to Seller; (d) Seller's reasonable actual costs for protecting property in its possession in which Buyer has an interest. Notwithstanding the foregoing or any transfer to Buyer, Buyer shall not be liable to pay for more than four (4) weeks of raw materials inventory and no more than one (1) week of works-in-process and finished Goods. Buyer shall not be liable to pay for work in process or raw materials fabricated or processed by Seller in amounts in excess of those authorized in delivery Releases, for any undelivered Goods which are Seller's standard stock or which are readily marketable, or for any finished Goods which are not promptly delivered to Buyer after request by Buyer. Except as provided in this section 20, Buyer will not be liable for and will not be required to make payments to Seller, directly or on account of claims by Seller's subcontractors, for loss of anticipated profit, unabsorbed overhead, interest on claims, financing costs, product development and engineering costs, facilities and equipment, rearrangement cost or rental, unamortized depreciation costs, or general and administrative burden charges arising from termination of this Order.

3. To make a claim under this subsection 20.A, Seller must submit a comprehensive termination claim to Buyer with sufficient supporting data to permit Buyer's audit within twenty-one (21) days from the effective date of termination, and must thereafter promptly furnish all supplemental and supporting information that Buyer requests. Buyer or its agent shall have the right to audit and examine all books, records, facilities, work material, inventories, and other materials and information relating to any termination claim by Seller. Payment under this subsection 20.A shall constitute the only liability of Buyer if this Order is terminated by Buyer for its convenience. Failure by Seller to timely submit a termination claim under this subsection 20.A constitutes an irrevocable waiver

and release by Seller of any and all costs, expenses, claims, damages, charges, and losses incurred by Seller under and relating to this Order. In no event will Buyer be liable in any amount greater than the price stated in Buyer's issued and unfilled Releases as of the effective date of the termination.

B. Termination for Default: Buyer reserves the right to terminate this Order in whole or in part for default if: (i) Seller fails to perform in accordance with any of the requirements of this Order to make progress so as to endanger performance under this Order; (ii) Seller breaches or defaults under any other agreement between Buyer and Seller; (iii) Seller breaches any warranty to Buyer under this Order or any other agreement, and, if Seller has a right to cure, Seller fails to promptly cure on demand; or (iv) Seller becomes insolvent or suspends its operations or if any petition is filed or proceeding commenced by or against Seller under any State or Federal law related to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors. Any termination for default will be with no liability whatsoever by Buyer to Seller except for completed Goods delivered and accepted by Buyer, payment for which may be setoff by Buyer against any damages claimed by Buyer against Seller. Buyer may require Seller to transfer title and deliver to Buyer any and all Goods and other property produced or procured by Seller for performance under this Order and Seller will be credited with the reasonable value of the Goods or property, not to exceed Seller's actual cost. Seller will be liable for damages caused by or resulting from its default including but not limited to excess of cost of procurement. Buyer will retain, in addition, all other rights arising from Seller's default provided under these Purchase Order Terms and Conditions, including sections 17 and 24, and at law and equity. If, after a default termination, it is determined that Seller was not in default, the termination shall be considered to have been made for convenience pursuant to the preceding subsection 20.A.

C. Because Buyer's commitments to its Customers are made in reliance on Seller's commitments under this and each Order, Seller has no right to terminate this Order. By accepting this Order, Seller accepts all risks of performance. Seller acknowledges that any attempt by Seller to terminate or repudiate this Order would cause irreparable harm to Buyer and agrees that Buyer is entitled to specific performance of Seller's obligations under this Order without placing a bond or offering any proof of damages or harm.

D. Upon the expiration or earlier termination of this Order for whatever reason, Seller agrees to take such action as may be reasonably required by Buyer to accomplish the transition from Seller to an alternative seller, including, without limitation the actions set forth below. The term "alternative seller" expressly includes, but is not limited to, a Buyer-owned or operated facility. Among other things:

1. Seller will provide all notices necessary or desirable for Buyer to resource the Order to an alternative seller.
2. Seller will provide a sufficient bank of Goods covered by the Order, as determined by Buyer, to ensure the orderly transition to any alternative seller chosen by Buyer.
3. Seller will return to Buyer (a) all Buyer's Property and any other property furnished by or belonging to Buyer or any of Buyer's Customers in as good

condition as when received by Seller, reasonable wear and tear excepted, and (b) all drawings, specifications, data, and other information provided by Buyer to Seller or produced by Seller in connection with its performance under the Order.

4. Seller will, at Buyer's option, for the benefit of Buyer, the alternative seller or any other designee of Buyer: (a) assign any or all supply contracts or orders for raw material or components relating to the Order; (b) sell, at no more than Seller's cost, any or all inventory and work in process relating to the Order, and (c) sell, at the unamortized portion of the cost of such items less any amounts Buyer previously has paid to Seller for the cost of such items, any or all Seller's Property relating to the Order.

E. Termination of this Order or any Release does not affect Seller's warranties and obligations under this Agreement as to Goods previously delivered and obligations not dependent upon the delivery of Goods.

F. Notwithstanding anything to the contrary, Buyer's obligation to Seller upon termination of this Order will not exceed the obligation Buyer would have had to Seller under issued Releases in the absence of termination of this Order.

## **21. Limitation of Seller's Remedies and Damages:**

A. In no event shall Buyer be liable to Seller for anticipated profits or for special, incidental or consequential damages. This limitation of liability provision applies notwithstanding the type of this Order. Buyer's liability for termination is limited to claims made under section 20, above. Any other claim of any kind or any loss or damage arising out of or in connection with or resulting from each Order, the Goods or any other agreement between Buyer and Seller is strictly limited to the Reasonable Obsolescence, if any, created by the event giving rise to the claim. Buyer and Seller agree that "Reasonable Obsolescence" means the following amounts without duplication: (i) the Order price for all finished and completed conforming non-defective Goods that are authorized under outstanding firm Releases which have not been previously paid for; and (ii) Seller's reasonable actual cost of the usable and merchantable work in process and raw materials/components transferred to Buyer in accordance with the termination and that are covered by outstanding firm Releases from Buyer. Buyer shall not be liable for and shall not be required to make payments to Seller, directly or on account of claims by Seller's subcontractors, for any other alleged losses or costs, whether denominated as loss of anticipated profit, recoupment of investment, unabsorbed overhead, interest on claims, financing costs, damages, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, general and administrative burden charges resulting from termination of this Order, or otherwise.

B. Seller's obligations under this Order are independent of Buyer's obligations. Seller's sole remedy for any breach or default by Buyer is the commencement of an action against Buyer for damages limited as set forth above and in section 20. Except as specifically permitted under these Purchase Order Terms and Conditions or in writing by Buyer, Seller may not under any circumstances stop work or suspend performance under this Order, cancel or terminate this Order, delay shipments, or take any other

action that could interfere with production of product by Buyer or the operation of any of Buyer's facilities.

**22. Force Majeure:** In the event of fire, accidents, government acts (excluding tariffs), war, acts of terrorism, riots, or any other extraordinary event beyond either party's reasonable control which prevent manufacture, transportation, delivery, acceptance or Buyer's prompt utilization of the Goods covered by this Order, the affected party may, without any liability or penalty, delay delivery, manufacture, transportation, acceptance or utilization by written notice effective when received by the other party, until such event and consequences of such event of force majeure shall have terminated or have been reduced to an extent that performance under this Order is possible, or until the affected party is able to perform despite the event of force majeure. The notice of an event of force majeure must contain the reason for any delay which the notifying party considers to be an event under the provisions of this section. An event of force majeure does not include tariffs or events within the total or partial control of the party giving notice including, but not limited to, poor business judgment or estimates, material cost increases, currency fluctuations, labor shortages, Seller's financial condition, insolvency, or lack of access to capital, or unanticipated engineering or technical difficulties. Furthermore, Seller specifically agrees that labor disputes, labor disruptions, and strikes at its facility or by its workforce at its facility do not constitute a force majeure. Notwithstanding the foregoing, in the event that any such force majeure shall cause Seller to fail to deliver or otherwise perform under this Order for a period of thirty (30) days, Buyer may terminate the Order immediately and find an alternative source for the Goods to be provided hereunder, all without liability or obligation to Seller. Nothing in this section limits Buyer's right to terminate for convenience at any time.

**23. Patent, Trademark, Copyright, and Intellectual Property, Indemnification:**

A. Seller grants to Buyer a worldwide, nonexclusive, royalty-free, irrevocable, and fully assignable license to use, repair and have repaired, to reconstruct and have reconstructed, to make or have made the Goods ordered hereunder. Seller assigns to Buyer all right, title and interest in and to all trademarks, copyrights, patents, trade secrets, industrial design rights, drawings, data, designs, engineering instructions, models, specifications or other technical information, written, oral or otherwise, in the Goods and any related products and information prepared for Buyer in connection with this Order. Technical information and data furnished to Buyer in connection with this Order are disclosed on a non-confidential basis. To the extent that, by operation of law, Seller owns any intellectual property rights in or related to the Goods, Seller hereby assigns to Buyer all rights, title and interest, including trademark, copyright patent, and trade secret rights in the Goods. Seller agrees to ensure that all subcontractors to Seller have contracts with Seller in writing consistent with the terms of this section 23.

B. Seller further agrees to defend, hold harmless and indemnify Buyer, its successors, assigns, employees and agents, against all claims, demands, losses, suits, damages, liability and expenses (including actual attorneys' fees) arising from any suit, claim or action for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, copyright, industrial design right, or any other intellectual property right by reason of (i) the manufacture, use, repair, or sale of the Goods including infringement arising out of compliance with specifications furnished by Buyer, (ii) breach by Seller of this section, or (iii) for actual or alleged misuse or misappropriation of a trade secret or intellectual property right resulting

directly or indirectly from Seller's actions. Seller further agrees to waive any claim against Buyer, including any hold harmless or similar claim, in any way related to a claim asserted against Seller or Buyer for patent, trademark, copyright or industrial design right infringement or the like, including claims arising out of compliance with specifications furnished by Buyer. Upon becoming aware of any claim, demand, suit, or action, Buyer will notify Seller and Seller, at Buyer's option and at Seller's expense, will undertake defense of the claim, demand, suit or action through counsel approved by Buyer, provided that Seller must first obtain authorization from Buyer before any settlement is made of the claim, demand, suit or action. In the alternative, Buyer may elect to undertake the defense of the claim, demand, suit or action, to the extent it is asserted against Buyer, and Seller agrees to reimburse Buyer on a monthly basis for all expenses, actual attorney fees, and other costs incurred by Buyer.

#### **24. Indemnification and Insurance:**

A. In addition to all indemnification obligations in the Order, these Purchase Order Terms and Conditions and any other agreement between Buyer and Seller, Seller agrees to indemnify and hold harmless Buyer, its employees, agents, customers, and invitees from and against all liability, demands, claims, losses, costs, damage and expenses including actual attorney fees (collectively, "Claims") by reason of or on account of property damages, personal injury, death or any other Claims arising out of, as result of, or in connection with the performance of this Order and/or the Goods, including Claims which are occasioned by any defect in product and/or breach of this Order, and Claims caused, directly or indirectly by any acts of Seller, its employees, agents, and invitees. Seller waives the application of the doctrine of comparative negligence and other doctrines that may otherwise allocate the liability covered by Seller's indemnity. Upon becoming aware of a Claim, Buyer will notify Seller and Seller, at Buyer's option, and at Seller's expense, will undertake defense of the Claim through counsel approved by Buyer. Seller shall first obtain written authorization from Buyer before settlement is made of the Claim unless the terms of the settlement could not, under any circumstances, materially adversely affect Buyer, including any terms that admit the existence of a defect in Goods or a failure of Buyer to fully and faithfully perform its obligations. In the alternative, Buyer may elect to undertake defense of the Claim, to the extent it is asserted against Buyer, and Seller agrees to reimburse Buyer on a monthly basis for all expenses, actual attorney fees, and other costs incurred by Buyer.

B. Seller agrees to procure and maintain, at its sole expense, insurance with reputable insurance companies sufficient to cover Seller's liabilities under this Order, including all contingent liabilities to Buyer and third parties. Buyer is entitled to require certain specific insurance coverage, including products liability, employer's liability, workman's compensation, general liability, public liability, property damage liability, completed operations liability, recall liability, business interruption and contractual liability, in the amounts and on terms acceptable and approved by Buyer. Seller agrees to procure all required insurance with Buyer as a named loss payee and additional insured. Seller must provide to Buyer proof of such insurance upon Buyer's request. Such policies shall provide cancellation only upon written notice to Buyer. Failure by Buyer to request proof of insurance from Seller does not constitute a waiver of the requirements in this section.

#### **25. Compliance with Laws:**

A. Seller agrees to comply with all applicable federal, state and local laws, executive orders, rules, and regulations during the performance of this Order. Seller warrants that: (i) all Goods sold or furnished under this Order will conform to and comply with OSHA standards and regulations and all applicable Federal Motor Vehicle Safety Standards; (ii) the Goods have been manufactured or furnished in accordance with the Fair Labor Standards Act and regulations issued thereunder; (iii) the Dodd-Frank Wall Street Reform and Consumer Protection Act and regulations issued thereunder; (iv) the Restriction of Hazardous Substances Directive; and (v) for each chemical product or product containing a chemical substance, purchased under this Order, Seller will furnish to Buyer a Material Safety Data Sheet ("MSDS") in conformance with OSHA state and local requirements, unless current MSDS has previously been submitted by Seller to Buyer. Seller further warrants that all chemical substances delivered under this Order will conform to and comply with the Toxic Substances Control Act and regulations issued thereunder. Seller agrees to indemnify and hold Buyer and its customers harmless for any loss, damage or expenses sustained because of Seller's non-compliance with any applicable law.

B. Seller warrants that it will, where applicable: (i) comply with the North American Free Trade Agreement, the North American Free Trade Agreement Implementation Act, and any other applicable trade agreements; (ii) make all sales hereunder in compliance with the United States Anti-Dumping Law; and (iii) upon request, furnish promptly certificates of local value added in accordance with government regulations pertaining thereto.

C. Seller agrees to indemnify and hold Buyer and its customers harmless for any loss, damage or expenses, including actual attorney's fees, sustained because of Seller's non-compliance with the requirements of this section 25, or breach of any warranty in this section.

**26. Assignment, Subcontracting:** Seller may not assign or subcontract this Order or any work to performed under this Order without advance written authorization by Buyer. Any attempted assignment of this Order or the work to be performed, in whole or in part, or of any other interest hereunder without Buyer's written consent, except an assignment confined solely to monies due or to become due hereunder, is void and of no effect. Any assignment of monies due or to become due is void and of no effect to the extent that it attempts (i) to impose upon Buyer obligations to the assignee additional or different from Buyer's obligations to Seller under this Order, (ii) or to preclude Buyer from dealing solely and directly with Seller in all matters pertaining to this Order, including the negotiation of amendments or settlements of amounts due, or (iii) to preclude Buyer from any right of setoff or recoupment arising out of this or any other transaction. In the event of any such assignment of monies due or to become due, Seller will promptly submit to Buyer a written notice of assignment and a true copy of the instrument of assignment with Buyer. Seller agrees not to subcontract for any complete or substantially completed materials, supplies and/or services called for by this Order without the prior written approval of Buyer. In the event that Seller does use subcontractors, Seller must disclose the identity of each subcontractor and their scope of work to Buyer and ensure that all of its subcontractors are contractually bound to the Order and these Purchase Order Terms and Conditions so that Buyer has full recourse against the subcontractor to the same extent as against the Seller. Such recourse does not relieve Seller of any of its duties, obligations, or liabilities under this Order and these Purchase Order Terms and Conditions.

**27. Confidentiality:** Notwithstanding any separate confidentiality and non-disclosure agreements, Seller agrees to safeguard, preserve and maintain the confidential nature of all know-how, trade secrets and other confidential information disclosed to it by Buyer. Seller agrees to treat all information received by it from Buyer or Buyer's customers as confidential unless the information is or becomes public knowledge without the fault of Seller or Buyer expressly states in writing that the information is not confidential. Seller will not disclose or otherwise make available to third parties any drawings, models, patterns, samples and similar objects without the prior written consent of Buyer. Notwithstanding the foregoing, Seller may disclose confidential information pursuant to the order of a court of competent jurisdiction provided Seller must first give notice to Buyer of the request or subpoena for the confidential information and Buyer must have a reasonable opportunity to challenge or limit the disclosure under applicable rules of Civil Procedure or Court Rules. Seller agrees to include these confidentiality obligations to Buyer in any and all contracts with subcontractors. The terms of this provision will survive the expiration or termination of this Order.

**28. No Waiver:** The rights and remedies of Buyer set forth in this Order and these Purchase Order Terms and Conditions are in addition to any other rights and remedies provided in law or equity. The failure by Buyer to exercise any rights or remedies under this Order is not a waiver of any other rights or remedies. Any delay by Buyer in exercising any rights or remedies is not a waiver or release of those rights or remedies, and will not prejudice Buyer's exercise of its rights and remedies at any time. No course of dealing between Seller and Buyer modifies or waives any rights or remedies. The exercise of any right or remedy by Buyer is not an election of remedies. Every right and remedy of Buyer provided in this Order and these Purchase Order Terms and Conditions is cumulative, concurrent and in addition to any other further rights and remedies available in law or in equity.

**29. Choice of Law and Jurisdiction:** The construction, interpretation and performance of this Order and these Purchase Order Terms and Conditions, and all transactions under or related to this Order are governed by the law of the State of Michigan, without regard to principles of conflicts of law. The United Nations Convention on the International Sale of Goods is expressly excluded. Any legal action by Seller against Buyer involving this Order shall be brought only in a state court located in Oakland County Circuit Court located in Pontiac, Michigan or in the United States District Court for the Eastern District of Michigan, Southern Division. Any legal action by Buyer under or related to this Order may be initiated and prosecuted, at Buyer's option, either in Oakland County Circuit Court located in Pontiac, Michigan or in the United States District Court for the Eastern District of Michigan, Southern Division, or in any court having personal jurisdiction over Seller or any other defendant. Seller consents to jurisdiction and service of process in accordance with applicable procedures, and agrees that a judgment or award against it resulting from any lawsuit or proceedings will be conclusive and binding upon it and may be enforced in any other domestic or foreign jurisdiction. Any legal action by Seller against Buyer arising under or relating to any Order must be commenced within one year after the breach or other event giving rise to such claim.

**30. Attorneys' Fees:** If Buyer institutes or defends against a proceeding or lawsuit requiring interpretation or enforcement of this Order and/or these Purchase Order Terms and Conditions and prevails, Buyer will be entitled to recover its actual attorneys' fees and all costs. For purposes of this section, Buyer is deemed to prevail in any action it institutes if Buyer obtains a judgment or final order in its favor on any count or claim brought by Buyer, and Buyer is deemed

to prevail in any action it defends if Buyer obtains a judgment or final order in its favor on any count or claim brought against Buyer.

**31. Identification of Components:** Seller agrees to furnish to Buyer in writing, upon request, with all information which Buyer is required to furnish to its customer, concerning the description and identification of all components and materials incorporated into the Goods. Seller's purchase orders and contracts with its suppliers and subcontractors must include the same requirement and must also provide that this requirement be included in all purchase orders and contracts with all lower-tier suppliers, so that Seller will be able to obtain and provide to Buyer detailed information concerning every component and material incorporated in each of the Goods.

**32. Severability:** These Purchase Order Terms and Conditions are severable and if any term, condition or portion of any term or condition is stricken or declared illegal, invalid or unenforceable for any reason whatsoever, the legality, validity, or enforceability of the remaining Purchase Order Terms and Conditions will be not be affected thereby.

**33. Relationship of Parties:** Seller and Buyer are independent contracting parties and nothing in this Order makes either party the agent, joint venture or legal representative of the other for any purpose whatsoever, or grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. There are no third party beneficiaries to this Order.

**34. Rights of Entry and Inspection:** Buyer has the right to enter Seller's facility during normal business hours or, in the event of a Seller shutdown, at any time after reasonable notice, to inspect the facility, Goods, materials and any property of Buyer. Seller agrees that Buyer may, without the necessity of a court order, enter upon Seller's property at any time and remove property belonging to Buyer or any customer of Buyer, including, without limitation, Buyer's Property, the Goods, inventory and any of Seller's Property that Seller has sold or agreed to sell to Buyer under the Order. Seller agrees to fully cooperate with Buyer in the removal of all of these items. Buyer's inspection of the Goods whether during manufacture, prior to delivery or within a reasonable time after delivery, does not constitute acceptance of any work in process or finished Goods.

**35. Electronic Communications and Electronic Signatures:** Seller shall comply with any method of electronic communication specified by Buyer, including requirements for electronic funds transfer, purchase order transmission, production Releases, electronic signature, and communication.

**36. Audit Rights, Financial Information, and Financial Health Assessments:** If requested by Buyer, Seller will permit Buyer and/or its designees to: (i) examine all pertinent documents, data, and other information relating to the Goods, Buyer's Property, tooling, Seller's obligations under the Order, any payment made to Seller, any claim made by Seller, and any quotes, invoices, or similar materials from Seller's own suppliers or subcontractors; (ii) view any facility or process relating to the Goods or the Order, including those relating to production quality; and (iii) audit any facility or process to determine compliance with the requirements of the Order. If requested by Buyer, Seller will timely provide to Buyer, or its agents, its most current income statements, balance sheets, cash flow statements, and supporting data and schedules and will timely complete and return to Buyer, or its agents, any financial health assessments or similar

type of forms when requested by Buyer. Seller will retain all information related the Goods for the duration of the applicable warranty described in section 16, plus an additional year unless a different time is approved in writing by Buyer. Seller must prepare and submit to Buyer a contingency plan for continuity of supply of Goods in the event of a major disruption such as a natural disaster, fire, utility interruption, labor shortage, or infrastructure disruption.

**37. Waiver of Jury Trial:** BUYER AND SELLER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF BUYER AND SELLER, AFTER CONSULTING (OR HAVING THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY PURCHASE ORDER OR ANY OTHER DOCUMENT PERTAINING TO ANY PURCHASE ORDER.