



Purchaser Order Terms and Conditions

(Effective February 24, 2016)

1. Offer, Acceptance, Modification. Any expression of acceptance of this Purchase Order, or commencement of performance of any work or services pursuant to this Purchase Order, shall constitute acceptance of this Purchase Order. All terms and conditions proposed by Supplier that are different from or in addition to this Purchase Order are expressly rejected by Purchaser. Any modification to this Purchase Order shall be made only in writing signed by both parties to this Purchase Order. The placement of this Purchase Order is specifically conditioned upon the terms and conditions stated herein and entirely excludes any terms and conditions that Supplier may seek to impose in its invoice or any other communication, except to the extent that such terms and conditions have been expressly agreed in writing by Purchaser.

2. Termination for Convenience of Purchaser. Purchaser reserves the right to terminate this order or any part hereof for its sole convenience on notice to Supplier. In the event of such termination, Supplier shall immediately stop all work hereunder, and shall immediately cause any of its suppliers or subcontractors to cease such work. Supplier shall be paid a reasonable termination charge consisting of a percentage of the order price reflecting the percentage of the work performed prior to the notice of termination, plus actual documented direct costs resulting from termination. Supplier shall not be paid for any work done after receipt of notice of termination, or for any costs incurred by Supplier's suppliers or subcontractors which Supplier could reasonably have avoided.

3. Termination for Cause. Purchaser may also terminate this order or any part hereof on notice to Supplier for cause in the event of any default by the Supplier, or if the Supplier fails to comply with any of the terms and conditions of this offer. Late deliveries, deliveries of goods which are defective or which do not conform to this order, and failure to provide Purchaser, upon request, reasonable assurances of future performance shall allow Purchaser to terminate this order for cause. In the event of termination for cause, Purchaser shall not be liable to Supplier for any amount, and Supplier shall be liable to Purchaser for any and all direct and consequential damages sustained by reason of the default which gave rise to the termination.

4. Service and Replacement Parts. (a) Except as otherwise expressly agreed in writing, for fifteen (15) years after a vehicle design or specific part concludes production, Supplier shall supply Purchaser's written "service parts" orders for the same goods, component parts and materials, at the prices set forth in this Purchase Order plus any actual cost differential for special packaging. If the goods are systems or modules, Supplier shall sell each component or part at a price that does not, in the aggregate, exceed the system or module price specified in this Purchase Order, less assembly costs, plus any actual cost differential for packaging. Supplier's obligation with respect to service or replacement parts shall survive the termination or expiration of this Purchase Order. (b) At Purchaser's request, Supplier shall make service literature and other materials available at no additional charge to support Purchaser's service part sales activities.

5. Proprietary Information-Confidentiality. Supplier shall consider all information furnished by Purchaser to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing the contract, unless Supplier obtains written permission from Purchaser to do so. This paragraph shall apply to drawings, specifications, or other

documents prepared by Supplier for Purchaser in connection with this order. Supplier shall not disclose any information relating to the order without Purchaser's written permission. Unless otherwise agreed in writing, no commercial, financial or technical information disclosed in any manner or at any time by Supplier to Purchaser shall be deemed secret or confidential and Supplier shall have no rights against Purchaser with respect thereto except such rights as Supplier may have under patent or copyright laws.

6. Warranty. Supplier warrants that all goods or services furnished under this Purchase Order shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Supplier warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Supplier warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Supplier knows or has reason to know the particular purpose for which Purchaser intends to use the goods or services, Supplier warrants that such goods or services will be fit for such particular purpose. Supplier warrants that goods or services furnished will conform in all respects to samples. Purchaser's inspection, test, acceptance or use of the goods or services furnished hereunder shall not affect the Supplier's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Supplier's warranty shall run to Purchaser, its successors, assigns and customers, and users of goods sold by Purchaser whether incorporated into Purchaser's manufactured goods or sold in kind. Supplier agrees to promptly replace or correct defects of any goods or re-perform services not conforming to the foregoing warranty, without expense to Purchaser, when notified of such nonconformity by Purchaser, provided Purchaser elects to provide Supplier with the opportunity to do so. In the event of failure of Supplier to correct defects in or replace nonconforming goods or services promptly, Purchaser, after reasonable notice to Supplier, may make such corrections or replace such goods and perform such services and charge Supplier for the cost incurred by Purchaser in doing so.

7. Price Warranty and Payment. Supplier warrants that the prices for the goods sold Purchaser hereunder are not less favorable than those currently extended to any other customer for the same or similar goods in similar quantities. In the event Supplier reduces its price for such goods during the term of this order, Supplier agrees to reduce the prices hereof correspondingly. Supplier warrants that prices shown on this Purchase Order shall be complete, and no additional charges of any type shall be added without Purchaser's express written consent. Such additional charges include, but are not limited to, shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, and crating. Purchaser must be notified of any proposed increase in price and the reason for such increase not less than ninety (90) days prior to the change being effective and Supplier must continue to ship goods in accordance with past practice pending the effective date of the increase. Payment terms shall be within the terms of the Purchase Order.

8. Tools. Unless otherwise agreed to by Purchaser, Supplier at its own expense shall furnish, keep in good condition, and replace when necessary all tools, jigs, dies, gauges, fixtures, molds and patterns (Tools) necessary for the production of the goods. The cost of changes to the Tools necessary to make design and specification changes authorized by Purchaser shall be paid for by Purchaser. Supplier shall insure the Tools with full fire and extended coverage insurance for the replacement value thereof. Supplier grants Purchaser an irrevocable option to take possession of and title to the Tools that are special for the production of the goods upon payment to Supplier of the book value thereof less any amount which Purchaser has previously paid to Supplier for the cost of such Tools; provided, however, that this option shall not apply if such Tools are used to produce goods that are the standard stock of Supplier or if a substantial quantity of like goods are being sold by Supplier to others.

9. Force Majeure. Purchaser may delay delivery or acceptance occasioned by causes beyond its control. Supplier shall hold such goods at the direction of the Purchaser and shall deliver them when the cause affecting the delay has been removed. Purchaser shall be responsible only for Supplier's direct additional costs in holding the goods or delaying performance of this Purchase Order at Purchaser's request. Causes beyond Purchaser's control shall include but not be limited to governmental action or failure of the government to act where such action is required, strike or other labor trouble, fire, vandalism, terrorism or unusually severe weather.

10. Intellectual Property.

A. Any copyrightable works, ideas, discoveries, inventions, patents, goods, or other information (collectively "Intellectual Property") developed in whole or in part by or on behalf of Supplier in connection with or relating to the goods shall be the exclusive property of Purchaser and, where applicable, be "works made for hire" under the U.S. Copyright Act. Upon request, Supplier shall sign all documents and otherwise cooperate with Purchaser as necessary to assign, confirm and perfect the exclusive ownership of all Intellectual Property rights in the goods to Purchaser.

B. Supplier agrees upon receipt of notification to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Purchaser or its agents, customers, or other vendors for alleged patent infringement, as well as for any alleged unfair competition resulting from similarity in design, trademark or appearance of goods or services furnished hereunder, and Supplier further agrees to indemnify Purchaser, its agents and customers against any and all expenses, losses, royalties, profits and damages including court costs and attorney's fees resulting from any such suit or proceeding, including any settlement. Purchaser may be represented by and actively participate through its own counsel in any such suit or proceeding if it so desires, and the costs of such representation shall be paid by Supplier.

11. Insurance. In the event that Supplier's obligations hereunder require or contemplate performance of services by Supplier's employees, or persons under contract to Supplier, to be done on Purchaser's property, or property of Purchaser's customers, the Supplier agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of the Purchaser. Supplier shall maintain all necessary insurance coverages, including public liability and Worker's Compensation insurance. Supplier shall indemnify and save harmless and defend Purchaser from any and all claims or liabilities arising out of the work covered by this paragraph.

12. Indemnification. Supplier shall at its expense defend, indemnify and hold harmless Purchaser its directors, officers, employees, affiliates, subsidiaries, agents, customers and end users, against all loss, damages, claims or liabilities and expenses (including attorney's fees) arising out or as a consequence of or resulting in any way from any defect in the goods or services purchased hereunder, any breach of the terms and conditions of this order including but not limited to delays or from any act or omission of Supplier, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty and insurance obligations of Supplier.

13. Changes. Purchaser shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this Purchase Order shall be modified in writing accordingly. Supplier agrees to accept any such changes subject to this paragraph.

14. Inspection/Testing. Payment for the goods delivered hereunder shall not constitute acceptance thereof. Purchaser shall have the right to inspect such goods and to reject any or all of said goods that are in Purchaser's judgment defective or nonconforming. Goods rejected and goods supplied in excess of

quantities called for herein may be returned to Supplier at its expense and, in addition to Purchaser's other rights, Purchaser may charge Supplier all expenses of unpacking, examining, repacking, and reshipping such goods. In the event Purchaser receives goods whose defects or nonconformity is not apparent on examination, Purchaser reserves the right to require replacement, as well as payment of damages. Nothing contained in this Purchase Order shall relieve in any way the Supplier from the obligation of testing, inspection and quality control. Purchaser shall have the right, at reasonable times, to inspect Supplier's premises and all Conflict Minerals (as defined below) traceability documentation related to Purchaser's supply chain.

15. Conflict Minerals. Supplier warrants that, to its knowledge, no tantalum, tin, tungsten and/or gold ("Conflict Minerals"), contained in any good subject to this order, originated from the Democratic Republic of the Congo or an adjoining country, unless the Conflict Minerals were processed by a facility listed as compliant pursuant to the CFSI Conflict-Free Smelter Program. Supplier agrees to abide by the terms and conditions in Purchaser's Conflict Minerals Policy, and to communicate to its sub-suppliers its own commitment to responsible sourcing and legal compliance. Supplier agrees to cooperate and work with its sub-suppliers in an attempt to ensure traceability of Conflict Minerals at least to smelter or refiner level, to maintain and record all Conflict Minerals traceability documentation for five years, and to provide such documentation to Purchaser upon request.

16. Audit Right. Where appropriate, Purchaser shall have the right to audit product quality at Supplier's premises.

17. Assignments and Subcontracting. No part of this order may be assigned or subcontracted without the prior written approval of Purchaser.

18. Setoff. All claims for money due or to become due from Purchaser shall be subject to deduction or setoff by the Purchaser by reason of any counterclaim arising out of this or any other transaction with Supplier.

19. Shipments/Premium Charges. Supplier agrees to promptly forward the original bill of lading or other shipping receipt for each shipment in accordance with Buyer's instructions. If in order to comply with Purchaser's required delivery date it becomes necessary for Supplier to ship by a more expensive way than specified in this Purchase Order, any increased transportation costs resulting therefrom shall be paid for by Supplier unless the necessity for such rerouting or expedited handling has been caused by Purchaser. Risk of loss shall be on the Supplier until delivery at the location specified in the Purchase Order.

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

20. Delivery. Time is of the essence of this contract. If Purchaser incurs a loss of production time fee or other charge for late delivery to its customer due to Supplier's late delivery, Purchaser may offset such charge against amounts due to Supplier. Further, Purchaser reserves the right, without liability and in addition to its other rights and remedies, to terminate this contract by notice effective when received by Supplier as to goods not yet shipped or services not yet rendered and to purchase substitute goods or services elsewhere and charge Supplier with any loss incurred.

21. Transportation Charges, Customs Duties and Taxes. (a) Unless otherwise expressly stated in this Purchase Order, all goods shall be delivered by Supplier "DDP - Purchaser's plant" (as defined in Incoterms 2010), in which case: (i) all transportation charges (including terminal switching charges) shall be at Supplier's expense; and (ii) Purchaser shall not be liable for any insurance, storage, parking or detention charges. (b) Unless otherwise expressly stated in this Purchase Order, prices include customs duties and expenses, tariffs and all federal, provincial, state and local taxes (including all import taxes, excise taxes and sales taxes) applicable to the manufacture, sale or provision of the goods or the services. (c) Any reduction in Supplier's cost resulting from a reduction in transportation charges, customs duties, import taxes, excise taxes and/or sales taxes from those in effect on the date of this Purchase Order shall be paid to Purchaser by Supplier as a reduction of the price.

22. Limit on Purchaser's Liability-Statute of Limitations, In no event shall Purchaser be liable for anticipated profits or for incidental or consequential damages. Purchaser's liability on any claim of any kind for any loss or damage arising out of or in connection with or resulting from this Purchase Order or from the performance or breach thereof shall in no case exceed the price allocable to the goods or services or unit thereof which gives rise to the claim. Purchaser shall not be liable for penalties of any description. Any action resulting from any breach on the part of Purchaser as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

23. Insolvency. Purchaser may immediately cancel this order without liability to Supplier in the event of the happening of any of the following or any other comparable event: (a) insolvency of the Supplier (b) filing of a voluntary petition in bankruptcy by Supplier; (c) filing of any involuntary petition, appointment or assignment if not vacated or nullified within fifteen (15) days of such event.

24. Compliance with Laws. Supplier agrees that all goods shipped to the Purchaser under this Purchase Order will be produced in full compliance with all applicable laws including, but not limited to, the Fair Labor Standards Act. Supplier further agrees that it shall not engage in the employment of child, forced, indentured, involuntary, prison or uncompensated labor. Purchaser may, upon notice, inspect Supplier's plant and facilities at reasonable times to determine compliance with the provisions set forth herein. In addition to any other remedies contained herein, Purchaser shall have the right to immediately terminate this agreement and any other agreements with Supplier if it determines that Purchaser is in violation of this section.

25. Choice of Law. This Purchase Order and any contract formed hereunder, shall be governed by, and construed under the internal laws of the State of Michigan, without regard to principles of conflict of laws, as the same may be from time to time in effect, including, without limitations the Uniform Commercial Code in effect in the State of Michigan. Supplier and Purchaser consent to the exclusive jurisdiction of and venue in the state courts within Ottawa County, Michigan and federal courts within the Western District of Michigan.

26. Supplier Compliance. The Supplier agrees to comply with the following: (A) Executive Order 11246 as amended and all regulations promulgated pursuant to that Executive Order including but not limited to the provisions of paragraphs (1) through (7) of the "Equal Opportunity Clause" and the "Certification of Nonsegregated Facilities", each of which is incorporated herein by reference, (B) Section 503 of the Rehabilitation Act of 1973 including the applicable parts of the affirmative action clause entitled "Affirmative Action for Handicapped Workers" (41 CFR 60-741.4) incorporated herein by reference, (C) the Vietnam Era Veterans Readjustment Assistance Act (30 USC §2012) including the applicable parts of the affirmative action clause entitled "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era" (41 CFR 60-250.4) incorporated herein by reference, (D) Executive Order 13496 "Notification of Employee Rights Under Federal Labor Laws" (29 CFR Part 471, Appendix A to Subpart A) also incorporated herein by reference, (E) Supplier agrees to comply with all applicable commercial

and public anti-bribery laws, including, without limitation, the US Foreign Corrupt Practices Act and the UK Bribery Act and (F) Supplier hereby represents and warrants that neither Supplier, nor any persons or entities holding any legal or beneficial interest whatsoever in Supplier, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury (“OFAC”); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: “List of Specially Designated Nationals and Blocked Persons.” If the foregoing representation is untrue at any time, an event of default will be deemed to have occurred without the necessity of notice to Supplier.

27. Waiver. Purchaser's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Purchaser's waiver of any breach hereunder shall not thereafter waive any other terms, conditions or privileges whether of the same or similar type.

28. Entire Agreement. These Terms and Conditions, whether on the printed Purchase Order form or in electronic form, are referred to as the Purchase Order and with any documents referred to on the face of the printed form, constitute the entire agreement between the parties.