

BOLLINGER MOTORS

BOLLINGER MOTORS LLC GENERAL TERMS AND CONDITIONS OF PURCHASE

GENERAL TERMS AND CONDITIONS OF PURCHASE**Table of Contents**

1. The Supplies and Parties Covered by the Order.....	3
2. The Terms of the Order.....	3
3. Quantity; Blanket Orders; Material Releases	4
4. Shipping and Delivery	5
5. Price and Payment	6
6. Non-Conforming Supplies	7
7. Buyer and Industry Standards and Policies	7
8. Changes.....	7
9. Service Parts	8
10. Warranties	9
11. Indemnification	10
12. Audit	10
13. Ethical Conduct.....	10
14. Duration, Termination and Remedies	11
15. Buyer's Property	14
16. Seller's Property.....	15
17. Intellectual Property.....	15
18. Proprietary Information	17
19. Insurance; Waiver of Liens	18
20. Force Majeure.....	18
21. Buyer's Liability	19
22. Limitation on Assignment and Subcontracting	19
23. Compliance with Laws; Export Compliance	19
24. Foreign Purchases	19
25. Miscellaneous.....	20

1. The Supplies and Parties Covered by the Order

1.1 Supplies

These General Terms and Conditions (“Terms”) apply to the purchase of the goods (“Supplies”) identified in a purchase order issued by Bollinger Motors, LLC or its affiliate (“Buyer”) to the seller (“Seller”), as each party is identified on the face of the purchase order. Buyer may modify these Terms at any time by posting a revised document at <https://www.bollingermotors.com/>. Modifications will be effective on the date modified. Such revised terms and conditions shall apply to all Order revisions/amendments and new Orders issued on or after the revision date. Seller shall be responsible to review Buyer’s website periodically.

2. The Terms of the Order

2.1 Terms of the Order

All references to the term “Order” shall mean these Terms and the following documents: (a) the purchase order; (b) Material Releases (as defined in Section 3.1) issued by Buyer to Seller under the purchase order; (c) all other documents specifically incorporated into or otherwise made a part of the Order by Buyer; (d) Buyer’s Product Manual; and (e) Buyer’s Supplier Quality and Logistics Manual. To the extent conflict arises between any one of the documents, the following hierarchy applies: the purchase order; Material Releases; these Terms; Buyer’s Product Manual; and Buyer’s Supplier Quality and Logistics Manual.

2.2 Seller’s Acceptance

The purchase order is an offer by Buyer to purchase the Supplies from Seller in accordance with the terms of the Order. Seller accepts the offer by: (a) Seller failing to object to the offer in writing within five (5) business days after receipt; (b) Seller beginning work or performance based on the purchase order; (c) Seller notifying Buyer of its acceptance of the offer in writing (whether by electronic means or otherwise); or (d) engaging in any other conduct relative to the Order from which a reasonable person would conclude Seller accepted. The Order is limited to and conditional upon Seller’s acceptance of these Terms and any other terms documented in the Order exclusively.

2.3 Seller’s Terms Rejected

The Order does not constitute an acceptance of any offer or proposal made by Seller, and Seller acknowledges that: (a) a request for quotation or similar document issued by Buyer is not an offer by Buyer; and (b) any response by Seller to a request for quotation or similar document issued by Buyer is not an offer by Seller. Any additional or different terms proposed by Seller, whether in Seller’s quotation, acknowledgement, invoice or otherwise, are unacceptable to Buyer, are expressly rejected by Buyer, and are not part of the Order. Any additional or different terms proposed by Seller will not operate as a rejection of the Order if Seller commences work or otherwise accepts Buyer’s offer, in which case the Order will be deemed accepted by Seller without any additional or different terms or variations whatsoever. If the Order is determined to be an acceptance of any prior offer or proposal by Seller, such acceptance will be limited to the Terms of the Order. Seller hereby waives any right to invoke the Seller’s standard terms and conditions of sale under the Order. Unless otherwise specifically stated in the Order, the Order is not exclusive between the parties, and Buyer may purchase similar goods from third parties.

2.4 Entire Agreement

The Order is the entire agreement between the parties respecting the Supplies and the subject matter hereof and supersedes any prior agreements, quotations, proposals, negotiations, understandings, and other communications of the parties respecting the Supplies, whether written or oral. No course of dealing, course of performance, usage of trade, or other understanding that purports to modify or amend the Order shall be binding unless in writing and signed by Buyer's and Seller's authorized representative.

3. Quantity; Blanket Orders; Material Releases**3.1 Releases**

Unless specified differently in the Order, Seller will deliver Supplies in strict conformance with the dates, times, quantities and delivery locations determined by Buyer and identified as firm orders in material authorization releases, manifests, broadcasts or similar releases ("Material Releases"). Time, quantities and location are of the essence under the Order and Seller will provide 100% on-time delivery of the quantities and at the times specified by Buyer. Seller will not make any commitments for raw materials or other inventory or manufacture any Supplies in advance of the time necessary to meet Buyer's firm delivery requirements. Specific Seller raw material and fabricated material release authorizations are defined in the Order.

3.2 Quantity

Unless the Order (or a separate written agreement executed by Buyer's authorized representative) requires Seller to manufacture, ship, and/or provide only a specified quantity of Supplies, the Order is a requirements contract under which Seller is required to supply 100% of Buyer's requirements of the Supplies specified in the Order. Buyer will determine its requirements based on the needs of Buyer's customers and market, economic, or other conditions. Buyer shall have no obligation to purchase Supplies beyond the quantities specified in the Order.

3.3 Forecasts

Seller acknowledges that any estimates or forecasts of production volumes or length of program, whether issued before or during the term of the Order, are for informational purposes only, are subject to change from time to time and will not be binding upon Buyer. Inclusion of any estimates or forecasts of length of program will not modify the duration of the Order as set forth in Section 14. Seller bears all risks with respect to such changes or with respect to any discrepancies between such estimates or forecasts and the actual production volumes or length of program. Buyer makes no representation, warranty or guaranty of any kind or nature as to the accuracy of the volume/duration projections and Seller acknowledges that the actual volumes/duration could be significantly less or more than Buyer's estimates.

3.4 EDI

Buyer may require Seller to participate in electronic data interchange or similar inventory management program, at Seller's expense, for notification of Material Releases, shipping notices and confirmation and other information. Seller agrees that any Buyer-designated communication system satisfies any legal requirement for a writing or signature.

3.5 Suspension of Performance

Buyer may at any time, by prior written notice to Seller, suspend performance of deliveries and Seller's other performance obligations for such time as it deems appropriate. Upon receiving notice of suspension, Seller will promptly suspend deliveries and work to the extent specified, and properly care for and protect all work in progress and materials, supplies and equipment Seller has on hand for performance. Buyer may, upon written notice, withdraw the suspension as to all or part of the

suspended deliveries and work by written notice specifying the effective date and scope of withdrawal. Seller will resume diligent performance on the specified effective date of withdrawal.

4. Shipping and Delivery

4.1 Buyer's Requirements

Seller will properly pack, mark, and ship Supplies (and provide related documentation) according to Buyer's requirements, the involved carriers and the country of destination. Seller will promptly provide Buyer with, in the form required by Law and as requested by Buyer, the identity and amount of all ingredients (and any changes in the ingredients) of the Supplies. Buyer's Supplier Quality and Logistics Manual or similar documents, provides some of Buyer's specific requirements and, if appropriate or necessary, will be provided separately by Buyer. Buyer may provide amendments, supplements, and replacements to Buyer's current Supplier Quality and Logistics Manual, copies of which will be provided to Seller by Buyer or made available to Seller by electronic means.

4.2 Delay in Delivery

If Seller does not comply with Buyer's delivery schedule or any other requirement of a Material Release, Buyer may, in its sole discretion: (a) approve a revised delivery schedule; (b) require expedited or premium shipment of any of the Supplies; (c) cover from other sources, and adjust any quantity requirement under the Order accordingly. Seller is liable for all excess costs and for all other damages incurred by Buyer as a result of Seller's failure including: (i) additional transportation costs; (ii) the cost of any production disruption; and (iii) the cost of obtaining Supplies from an alternate source. The rights and remedies reserved to Buyer under this Section are cumulative with and in addition to all other legal or equitable remedies allowed by Law.

4.3 Title and Risk of Loss

4.3.1 Unless otherwise stated in the Order, Buyer will take title to all Supplies DDP Incoterms 2010 Buyer's facility. Title and risk of loss or damage to the Supplies shall pass to Buyer upon delivery to such location. Supplies will be deemed identified upon fabrication, unless the Supplies are part of Seller's standard stock and sold to persons in addition to Buyer, in which case identification occurs when the Supplies are marked or otherwise designated by Seller as relating to the Order.

4.3.2 Seller will comply with Section 15 with respect to any Supplies which are in the custody or control of Seller or Seller's suppliers, contractors or agents.

4.4 Country of Origin

Upon request, Seller will promptly and reasonably furnish to Buyer all certificates of origin or domestic value-added and all other information relating to the costs and places of origin of the Supplies as may be deemed reasonably necessary by Buyer to comply fully with all customs, tariffs and other applicable Laws (as defined in Section 23). Seller will comply with all such Laws and warrants that any such information that is supplied to Buyer is true and complete and that all sales covered by the Order will be made at not less than fair value under the anti-dumping Laws of the countries to which the Supplies are exported.

4.5 Hazardous Materials

Seller will comply with all Laws relating to any hazardous or restricted material that is an ingredient or part of the Supplies, including, without limitation, appropriate government/country registration requirements such as REACH ("Registration, Evaluation, Authorization, and Restriction of Chemicals") and IMDS ("International Material Data System"). Seller will give Buyer sufficient warning in writing (including appropriate labels, containers, and packing, and handling, disposal and recycling instructions, material safety data sheets and certificates of analysis) of any such materials.

5. Price and Payment

5.1 Price

The purchase price of the Supplies is set forth in the Order. Unless otherwise stated in the Order, the purchase price: (a) is a firm fixed price for the duration of the Order and not subject to increase for any reason, including increased raw material costs, increased labor or other manufacturing costs, increased development costs, or changes in volumes or program length from those estimated or expected; (b) is inclusive of all federal, state, provincial, and local taxes and any duties applicable to provision of the Supplies; and (c) is inclusive of all storage, handling, packaging and all other expenses and charges of Seller unless otherwise stated in the Order. Seller recognizes that it assumes all risks regarding cost changes and variances in volume and program length. Seller represents and warrants that the prices charged to Buyer for the Supplies are, and will assure that such prices remain, no less favorable to Buyer than any price which Seller presently, or in the future, offers to any other customer for the same or similar goods and/or services.

5.2 Invoices

Unless otherwise stated in the Order, invoices will be issued on or after shipment of Supplies to Buyer and payment will be deemed to occur upon receipt of payment in full by Seller. All payments will be made in the applicable currency as quoted by Seller and agreed to by Buyer in the Order. Seller will, at its expense, comply with Buyer's written instructions and policies with respect to the form, content and method for submission of invoices, which will be provided to Seller by Buyer.

5.3 Payment Terms

Unless otherwise stated in the Order, payment terms are net 45 days after date of receipt of invoices that are properly presented and not in dispute. Buyer is not obligated to pay any invoice that is not submitted in accordance with the Order or which Buyer disputes in good faith.

5.4 Setoff

In addition to any right of setoff or recoupment provided by law, all amounts due to Seller will be considered net of indebtedness of Seller and its affiliates/subsidiaries to Buyer and its affiliates/subsidiaries; and Buyer will have the right to setoff against or to recoup from any amounts due to Seller and its affiliates/subsidiaries from Buyer and its affiliates/subsidiaries.

5.5 Payment Not Acceptance

Payment for Supplies will not constitute acceptance of non-conforming Supplies nor limit or affect any rights or remedies of Buyer.

5.6 Credits

Credits or benefits resulting from the Order, including trade credits, export credits, and/or the refund of duties, taxes, or fees, belong to Buyer. Seller will provide all information and certificates (including NAFTA and other country and area certificates of origin) necessary to permit Buyer to receive these benefits or credits.

5.7 Insolvency of Customer

In the event that Buyer's customer files or has filed against it a petition in bankruptcy or insolvency and in the course of such proceeding and in connection with an actual or threatened termination by customer of its purchase orders with Buyer, and if Buyer permits a reduction in the price paid to Buyer for goods sold to such customer to prevent a termination of a purchase order with customer, then Buyer has the right to proportionally adjust Seller's price for Supplies upon thirty (30) days written notice to Seller. The Order will otherwise remain in effect without modification. By written notice to Seller, Buyer may elect to have the provisions of this Section prevail over any conflicting term between Buyer and Seller.

6. Non-Conforming Supplies

6.1 Rejection

If defective or otherwise non-conforming Supplies pursuant to the Order are rejected by Buyer, the quantities under the Order are automatically reduced unless Buyer otherwise notifies Seller, and Seller will not replace reduced quantities without a new Material Release from Buyer. Following rejection, Seller will, without prejudice to any other right or remedy of Buyer, at Buyer's sole discretion and at Seller's expense:

6.1.1 Accept return of the defective or non-conforming Supplies to Seller for a refund of the full invoice price, plus payment of transportation charges for such defective or otherwise non-conforming supplies;

6.1.2 Replace the non-conforming Supplies with conforming Supplies; and/or

6.1.3 Correct the defective or non-conforming Supplies within a specified timeframe determined by the Buyer and at the Buyer's location.

6.2 Buyer's Losses

In addition to any direct damages sustained by Buyer on account of Seller's breach of the Order or by delivering non-conforming Supplies, Seller will also be liable for Buyer's direct and indirect, incidental and consequential damages including, without limitation, reasonable professional fees. In the event Buyer must commence or threaten legal action for the production or delivery of the Supplies, Seller acknowledges that Buyer has no adequate remedy at law and Buyer shall be entitled to an immediate order of specific performance of Seller's obligations under the Order and injunctive equitable relief as a remedy for any such breach.

6.3 Corrective Action

Promptly upon learning of defective or non-conforming Supplies, Seller will develop, document and implement corrective actions, including in accordance with all applicable quality control policies and standards as defined in the Supplier Quality and Logistics Manual as provided by Buyer. Seller will immediately notify Buyer in writing when Seller becomes aware of any ingredient, component, design or other defect in the Supplies that is or is reasonably likely to become harmful to persons or property.

7. Buyer and Industry Standards and Policies

7.1 Quality Standards

Seller and the Supplies must conform to all quality control and other standards and inspection systems as established or directed by Buyer in the Supplier Quality and Logistics Manual. Buyer may provide amendments, supplements, and replacements to Buyer's current Supplier Quality and Logistics Manual, which will be binding on Seller.

8. Changes

8.1 Buyer's Changes

Buyer reserves the right to change the Order, or the Supplies, including design, specifications, engineering level, materials, packaging, testing requirements, shipping date, or time or place of delivery. Seller must promptly make any such change as directed by Buyer, provided that the parties agree upon the feasibility and cost impact of such changes according to a documented change management process per Section 8.3.

8.2 Seller's Changes

Seller will not make any change to the Supplies including, without limitation, changes in contents, design, specifications, processing, packaging, marking, or shipping, except at Buyer's written instruction or with Buyer's written approval. If Seller learns of a possible change to the Supplies that may reduce costs, improve quality, or otherwise be beneficial to Buyer, Seller will promptly inform Buyer of the possible change in writing. Seller will maintain a process of continuous improvement in the Supplies. Seller certifies the location(s) from which it will ship the Supplies as specified in the Order. If Seller, at any time, intends to change such location(s), Seller must notify Buyer in writing prior to the change so that the effect of such change can be evaluated as to quality, transportation costs and lead time, packaging methods, and other factors. In no event may Seller change the location from which the Supplies are manufactured without Buyer's prior written consent.

8.3 Impact on Changes

Seller will, not later than 20 working days following (a) a request for change from Buyer or (b) the receipt of a purchase order change, notify Buyer in writing if a change directed or approved by Buyer will affect cost or timing and provide documentation reasonably substantiating its claim. Buyer and Seller will negotiate in good faith and agree on an equitable price adjustment (up or down), a change in shipping or delivery terms, required tooling investment, or other appropriate adjustment prior to implementation of any change. Notwithstanding any such discussions, Seller will promptly implement such changes as directed by Buyer without delay. In the event that Buyer and Seller are unable to reach agreement on any pricing adjustments to be made in connection with such changes, any difference in price or time for performance resulting from such changes will be equitably adjusted by Buyer based on a fair cost assessment after receipt of documentation in such form and detail as Buyer may direct. Seller will accept any amendments issued by Buyer implementing such changes.

9. Service Parts

9.1 Period and Prices

During the ten-year period after Buyer completes purchases for production, Seller will sell to Buyer Supplies to fulfill 100% of Buyer's service and replacement requirements. Seller will sell all such Supplies at the prices specified in the Order plus actual cost differentials for packaging, which shall be substantiated with documentation to Buyer's reasonable satisfaction. During the fifth year of such period, Buyer and Seller will negotiate in good faith with regard to the pricing at which Seller will continue the manufacture of service and replacement Supplies; provided, however, that if Seller and Buyer cannot agree on a price following the expiration of the five-year period, then the price of the Supplies for service requirements will be no greater than the last price stated in the order plus or minus: (a) any changes in the cost of materials since the date Buyer ceased making purchases for production; (b) a volume adjustment reflecting the actual increase in the cost per unit of producing fewer units; (c) a set-up charge reflecting the actual cost of preparation for the production run; and (d) any additional costs actually incurred for special packaging. The foregoing must be substantiated with documentation to Buyer's reasonable satisfaction, including, but not limited to, set-up detail, machine productivity, scrap allowance, labor inefficiencies and excess raw material requirements. Seller will mark the Supplies shipped for service requirements, "Made in (country of origin)". Seller will store and maintain Buyer's Property (as defined in Section 15) and other resources necessary for the production of service and replacement Supplies.

9.2 Components

If the Supplies are systems or modules, Seller will sell each component or part for service or replacement purposes at a price that does not, in the aggregate, exceed the system or module price specified in the Order, less assembly costs, plus any actual cost differential for packaging.

10. Warranties

10.1 Express Warranties

In addition to any other express and implied warranties provided by law or otherwise, Seller warrants to Buyer that the Supplies will:

10.1.1 Be new and conform to the Order in all respects;

10.1.2 Conform to all specifications, drawings, samples and other descriptions furnished by Buyer or otherwise part of the Order;

10.1.3 Be free from all defects in design (to the extent designed by or for Seller), workmanship and materials (with the exception of materials or components consigned by Buyer) during the warranty period and be of highest quality and workmanship;

10.1.4 Be selected, designed (to the extent designed by Seller), manufactured and assembled by Seller based upon Buyer's stated use and be fit and sufficient for the purposes intended by Buyer;

10.1.5 Conform to all applicable Laws (as defined in Section 23) in countries where the Supplies (or goods into which the Supplies are incorporated) are to be sold (and Buyer will provide a list of such countries to Seller upon written request), including without limitation, in the case of Supplies used in connection with the manufacture of motor vehicles, the National Traffic and Motor Vehicle Safety Act, United States motor vehicle safety standards and European Union Directive 2000/53/EC;

10.1.6 Not infringe, misappropriate or violate the Intellectual Property Rights (as defined in Section 17) of third parties;

10.1.7 Properly function and be suitable for use within the systems, the vehicles and the products in which they are to be assembled; and

10.1.8 Conform to ISO 9001 and TS 16949 and other quality standards of Buyer.

10.2 Service Warranties

For all services included in Supplies, Seller further warrants that its services will be performed in a professional and workmanlike manner, consistent with all standards and specifications established by Buyer and otherwise consistent with industry standards.

10.3 Title

Seller warrants that title to all of the Supplies is vested in Buyer free and clear of any and all liens and encumbrances of any nature.

10.4 Warranty of Continued Performance

All warranties of Seller extend to future performance of the Supplies and are not modified, waived or discharged by delivery, inspection, tests, acceptance and payment. Buyer's approval of any design, drawing, material, process or specifications will not relieve Seller of these warranties. Seller waives any right to notice of Seller's breach.

10.5 Warranty Period

The warranty period is the longest of: (a) five years from the date Buyer accepts the Supplies; (b) the warranty period provided by applicable law; or (c) the warranty period offered by Buyer to end-users for the vehicles and products into which the Supplies are assembled.

10.6 Cumulative

All warranties and remedies provided by the Order are cumulative and in addition to those provided by law and will survive testing and inspection of the Supplies by Buyer.

11. Indemnification

11.1 Indemnity

Seller will indemnify, defend and hold harmless Buyer, its subsidiaries and its affiliates and their respective directors, officers, shareholders, employees, agents, representatives, successors, assigns, customers, dealers and users of the Supplies sold by Buyer (or the products in which they are incorporated) (collectively, "Indemnified Parties") from and against any liability, claim, demand and expense (including, without limitation, legal and other professional fees), which, in whole or in part, arises from or relates to: (i) any failure of Seller to fully perform any of its obligations under the Order; (ii) the Supplies or any defect therein; or (iii) the negligence, acts or omissions by Seller, its subsidiaries, or its affiliates or their respective officers, directors, managers, shareholders, members, employees, subcontractors, agents or representatives. Seller's indemnification obligation will apply (x) regardless of whether the claim arises in tort, contract, or otherwise, (y) even if Buyer furnishes all or a portion of the design and specifies all or a portion of the processing used by Seller, and (z) even if the warranty period provided under the Order has expired.

11.2 Buyer's Participation

If Seller is obligated to indemnify under this Section, Buyer may, at its option, participate in or control the defense of any third party claim with its own counsel, at Buyer's expense. Seller's obligation to indemnify will not be lessened or compromised in any way, even if Buyer is alleged or is found to have contributed in part to the events giving rise to the Losses.

12. Audit

Seller grants Buyer access to Seller's premises and books and records solely for the purpose of auditing Seller's compliance with Seller's obligations under the Order (including, without limitation, charges hereunder) or inspecting or conducting an inventory of finished goods, work-in-process, raw materials, any of Buyer's Property and all work or other items to be provided pursuant to the Order located at Seller's premises. Seller will cooperate with Buyer so as to facilitate Buyer's audit, including, without limitation, by segregating and promptly producing such records as Buyer may reasonably request, and otherwise making records and other materials accessible to Buyer. Seller will preserve all records pertinent to the Order, and Seller's performance under the Order, for a period of not less than one year after Buyer's final payment to Seller under the Order. Any such audit or inspection conducted by Buyer or its representatives will not constitute acceptance of any Supplies (whether in progress or finished), relieve Seller of any liability under the Order or prejudice any rights or remedies available to Buyer. Seller will use its best efforts to obtain for Buyer the right to similarly audit and inspect the quality records and facilities of any suppliers of components of the Supplies. Buyer is not required to inspect Supplies delivered or services performed, and no inspection or failure to inspect will reduce or alter Seller's obligations under the Order.

13. Ethical Conduct

13.1 Work Environment

Seller warrants that neither Seller nor its permitted subcontractors use child, prison, forced or involuntary labor in the provision of Supplies. Seller and its permitted subcontractors will maintain a workplace free from physical abuse and any practice in violation of local law. Seller and its permitted subcontractors will provide a healthy, safe work environment, wages and benefits as required by Law, freedom of association and reasonable working conditions.

13.2 Business Practices

Seller will not: (a) give or offer to give any gift or benefit to Buyer's employees; (b) solicit or accept any information, data, services, equipment or commitment from Buyer's employees unless it is: (i) required under a contract between Buyer and Seller, (ii) made pursuant to a written disclosure agreement between Buyer and Seller, or (iii) specifically authorized in writing by Buyer's management; (c) solicit or accept favoritism from Buyer's employees; (d) enter into any outside business relationship with Buyer's employees or other suppliers without full disclosure to and prior approval of Buyer's management; or (e) provide to or accept from other suppliers any information regarding Buyer or its business. For the purposes of this Section: "employee" includes members of the employee's immediate family and household, plus any other person who is attempting to benefit from his or her relationship to the employee; "Seller" includes all employees and agents of Seller; "gift or benefit" includes money, goods, services, discounts, favors and the like in any form but excluding items with a value of \$25.00 or less; "supplier" includes prospective, current and past suppliers; and "favoritism" means partiality in promoting the interest of Seller over that of other suppliers. Seller agrees to comply with all applicable anti-corruption laws, including, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, and that neither it nor any of its permitted subcontractors, vendors, agents or other associated third parties will engage in any form of commercial bribery, nor directly or indirectly provide or offer to provide, anything of value to or for the benefit of, any official or employee of a governmental authority or of any government-owned, government-controlled or government-affiliated entity to obtain or retain any contract, business opportunity or other business benefit, or to influence any act or decision of that person in his/her official capacity. At Buyer's request, Seller will certify in writing its compliance with the foregoing. Seller will indemnify and hold Buyer harmless from and against any liability, claims, demands or expenses (including, without limitation, legal or other professional fees) arising from or relating to Seller's noncompliance. Any breach by Seller of its obligations under this Section will constitute a material default by Seller of every contract and Order with Buyer and may further result in Seller's debarment from doing business with Buyer. Seller will also comply with all ethics, fair business practices, nondiscrimination and non-harassment policies of Buyer.

14. Duration, Termination and Remedies

The Order will be effective on the date specified in the Order, or if no date is specified, when accepted. Unless otherwise specifically provided in the Order, it will terminate on the date specified in the Order; or, if no date is specified, one year from the effective date (the "Initial Term"). Thereafter, the Order will automatically renew for successive one-year periods after the Initial Term unless Buyer provides to Seller written notice at least 90 days prior to the end of the current term of its desire that the Order not be renewed.

14.1 Termination by Buyer

In addition to any other rights of Buyer to cancel or terminate the Order, Buyer may terminate the Order in whole or in part by written notice (a "Termination Notice"), as follows:

14.1.1 For convenience, 60 days following delivery of the Termination Notice or upon such other date specified by Buyer in writing; and

14.1.2 For Default, effective upon delivery of the Termination Notice or upon such other date specified by Buyer in writing. Seller will be in "Default" if it: (a) repudiates, breaches or otherwise threatens to breach any of the terms of the Order; (b) fails to timely deliver, or threatens not to deliver, Supplies in connection with the Order; (c) fails to make progress or to meet reasonable quality requirements so as to endanger timely and proper performance of the Order; (d) is insolvent; (e) makes an assignment for the benefit of creditors, or proceedings in bankruptcy or insolvency

are instituted by or against Seller; (f) requests accommodations from Buyer, financial or otherwise, in order to meet its obligations under the Order and fails or refuses to perform under the Order unless Buyer agrees to such accommodations; or (g) at any time in Buyer's sole judgment Seller's financial or other condition or progress on the Order will be such as to endanger timely performance. Termination by Buyer will not relieve Seller of any liability under the Order except as provided in these Terms.

14.2 Suspension or Termination by Seller

Seller may terminate or suspend performance under an Order only for non-payment of the purchase price for Supplies which are 30 or more days past due and material in amount, and then only if: (a) Seller first provides Buyer written notice specifying the amounts past due and Seller's intent to terminate or suspend performance under the Order if the past due amount is not paid; and (b) Buyer, within 30 days of such notice, does not pay those past due amounts not subject to a bona fide dispute. Seller will terminate or suspend under this Section by delivering a termination notice to Buyer. Seller may not suspend performance or terminate the Order for any reason except as permitted under this Section.

14.3 Seller's Obligations Following Termination

Following delivery of a Termination Notice, Seller will, unless otherwise directed by Buyer and subject to its obligation to provide Transition Support as provided in Section 14.6 below;

14.3.1 Terminate promptly all performance under the Order and transfer title and deliver to Buyer all finished Supplies completed prior to receipt of the Termination Notice;

14.3.2 Transfer title and deliver to Buyer all work in process, and the parts and materials which Seller produced or acquired in accordance with an Order and which Seller cannot use in producing goods for itself or for others to the extent such use is permitted;

14.3.3 Verify/settle all claims by subcontractors for actual costs that are rendered unrecoverable by such termination and provided the recovery of materials in Seller's possession is ensured; and

14.3.4 Take actions reasonably necessary to protect property in Seller's possession in which Buyer has an interest until disposal instruction from Buyer has been received.

14.3.5 Seller will continue performance of an Order to the extent not terminated and will be liable to Buyer for any excess costs for alternative products or services and other direct damages.

14.4 Buyer's Obligations Following Termination

Buyer will pay to Seller in connection with termination only the following amounts, without duplication, in complete and final satisfaction of any liabilities relating to the Order:

14.4.1 The purchase price for all conforming Supplies received by Buyer prior to the Termination Notice or delivered following the Termination Notice pursuant to Sections 14.3.1 or 14.6.1 or at the written direction of Buyer;

14.4.2 Any amounts owed for Transition Support pursuant to Section 14.6; and

14.4.3 If terminated for any reason other than Default by Seller, Seller's reasonable actual cost of: (a) merchantable and useable work-in-process and the parts and materials transferred to Buyer under Section 14.3.2 above (but not to exceed the Order price of the Supplies had the work been completed); and (b) settling claims under Sections 14.3.3 and 14.3.4 and carrying out its obligation under Section 14.3.5.

14.5 Buyer's Obligations Following Expiration or Termination

If the Order expires, Buyer will pay to Seller, in complete and final satisfaction of any liabilities relating to the Order, only the purchase price for all conforming Supplies received by Buyer prior to expiration and all quantities listed as firm Material Releases not otherwise purchased by Buyer, and, if applicable, any amounts owed for Transition Support pursuant to Section 14.6; provided, however, that Seller will furnish to Buyer, within 60 days after the date of termination, a termination

claim, which will consist exclusively of the items of Buyer's obligation to Seller that are expressly permitted by this Section. Buyer may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim. Buyer has no obligation under this Section to make any payment for Supplies, work-in-process, parts or raw materials inventory: (a) in excess of those authorized or required under any firm Material Release; (b) that are damaged or destroyed or that are not merchantable or useable; (c) that are in Seller's standard stock or that are readily marketable; or (d) that can be returned to Seller's suppliers or subcontractors for credit. Buyer has no obligation for and will not be required to pay Seller, directly or on account of claims by Seller's subcontractors, for loss of anticipated profit, failure to realize anticipated production volumes, revenues or savings, unabsorbed overhead, interest on claims, product development and engineering costs, Buyer's Property (as defined herein), facilities and equipment rearrangement costs or rental, unamortized capital or depreciation costs, or general administrative burden charges from termination or expiration of the Order, except as otherwise expressly agreed in a separate Order issued by Buyer.

14.6 Transition of Supplies Following Termination or Expiration

Following expiration or termination of the Order by either party for any reason (including termination by Seller) and notwithstanding any claimed or actual breach of any obligation by Buyer, Seller will cooperate in the transition of supply to a successor supplier, including the following, which will collectively be referred to as "Transition Support":

14.6.1 Seller will continue production and delivery of all Supplies as ordered by Buyer, at the prices and other terms stated in the Order, without premium or other condition, during the entire period reasonably needed by Buyer to complete the transition to the alternate supplier(s), so that Seller's action or inaction causes no interruption in Buyer's ability to obtain Supplies as needed; and

14.6.2 At no cost to Buyer, Seller will promptly provide access to and all requested information and documentation regarding Seller's manufacturing process, including on-site inspections, bill-of-material data, tooling and process detail and samples of Supplies and components.

14.7 Termination and Change of Control

Buyer may terminate an Order or Material Release, in whole or in part, upon reasonable notice to Seller, without liability to Seller, if (i) a direct or indirect change in control or ownership of Seller occurs without Buyer's prior written consent, or (ii) all or substantially all of the assets of the Seller are sold (at one time or through a series of transactions) without Buyer's prior written consent..

14.7.1 Duty to Deliver

Seller's continued holding of the Supplies, Buyer's Property or Seller's Property (as defined herein), after demand has been made by Buyer for delivery, will substantially impair their value, and Buyer will be entitled to (i) a court order for possession without bond, and (ii) enter Seller's premises, with or without legal process, and take immediate possession of Buyer's Property and its customer's property.. Seller will continue to sell Supplies under an Order during any dispute with Buyer provided Buyer continues to pay Seller amounts owed in excess of any right of offset. To the fullest extent permitted by law, Seller waives any right to object to Buyer's repossession of Buyer's Property and its customer's Property in a bankruptcy or other proceeding.

14.7.2 Recall

In the event of any safety, maintenance or improvement program, general recall or similar action ("Recall") involving the Supplies which Buyer has determined do not meet requirements of the Order, whether initiated by Buyer, Seller, or any governmental agency or body, both Buyer and Seller will use reasonable commercial efforts to reduce costs in connection with such Recall. If it is alleged or determined that failure of Supplies to conform to Seller's warranty is a proximate cause of any Recall, Seller will defend, indemnify and hold harmless Buyer, its affiliates, subsidiaries, members, directors, officers, employees, agents and other representatives from and against all expenses and costs of such Recall. All Recalls will be at the discretion of Buyer after consultation with Seller, except as ordered by a government agency or body. Seller's obligations related to Recalls will continue to apply after the expiration of Seller's express warranties.

14.8 Remedies

14.8.1 Cumulative and Additional Remedies

The rights and remedies reserved to Buyer in the Order are cumulative with, and additional to, all other rights and remedies of Buyer under applicable law or in equity.

14.8.2 Restrictions on Waiver

The failure of either party at any time to require performance by the other party of any provision of the Order will in no way affect the right to require such performance at any time thereafter, nor will the waiver of either party of a breach of any provision of the Order constitute a waiver of any succeeding breach of the same or any other provision.

14.8.3 Seller's Remedy

Money damages, as limited by the Order, are Seller's exclusive remedy for breach of contract or other claim or theory. Seller may not allege breach of contract or other theory of recovery for such money damages without providing a written notice of breach, documentation supporting the claim, and a reasonable time for Buyer to cure any breach and otherwise resolve the claims. In no event will Buyer be liable to Seller for its indirect, special, consequential (including lost profits, interest, lost market share or damage to brand value), incidental, punitive, and exemplary damages, whether or not foreseeable, irrespective of whether Buyer has or has not been advised of the possibility of such damages. This limitation of liability applies notwithstanding the type of Order or the nature of Seller's claim in contract, tort or equitable proceeding.

14.9 Remedial Work

If repair, sorting, inspection, or similar activity ("Remedial Work") is necessary for any rejected Supplies, then Buyer may elect either to perform the Remedial Work itself or to have a third party perform it. In either case, the reasonable cost of such Remedial Work will be either: (a) offset against the amounts otherwise due Seller for such rejected Supplies; or (b) charged separately to Seller. Buyer may require that the Remedial Work be performed on the premises of Buyer or its customer by Seller, in which case Buyer or its Customer will provide Seller with reasonable access to its premises and otherwise assist Seller with such arrangements as are necessary to perform the Remedial Work. In performing Remedial Work or replacing rejected Supplies, Seller is responsible for segregating and sorting any applicable Supplies providing for transportation of the Supplies, supervising the segregation and removal of the Supplies, and other incidental activities, all at its sole cost. Remedial Work by Seller requires the prior written permission of Buyer and/or Buyer's Customer.

15. Buyer's Property

All supplies, materials, prototype and production tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, related software and other items (together with any accessions, appurtenances, modifications, repairs, refurbishments and replacements thereof) furnished by Buyer, either directly or indirectly, to Seller to perform this Order, or for which Seller has been paid (other than through piece price amortization) by Buyer (collectively, "Buyer's Property"), will be and remain the property of Buyer, and all right, title and interest in Buyer's Property will remain with Buyer, subject only to the limited right of possession granted to Seller under this Section. Buyer will, at any time, have the right to immediate possession of Buyer's Property, on Buyer's demand. If title in any Buyer's Property has not otherwise passed to Buyer, title will pass to Buyer immediately upon completion of Buyer's production part approval process (PPAP) for such property or the date Buyer first makes any payment to Seller relating to such property, whichever comes first. Seller will bear all risk of loss of and damage to Buyer's Property. Buyer's Property will at all times be properly housed and maintained by Seller, at its expense, will not be used by Seller for any purpose other than the performance of the Order; will be deemed to be personalty; will be conspicuously marked by Seller as the property of Buyer; will not be commingled with the property of Seller or with that of a third person; and will not be moved from Seller's premises without Buyer's prior written approval. Buyer and its designees will have the right to enter Seller's premises at all reasonable times to inspect Buyer's Property and Seller's records with respect thereto. Upon the request of Buyer, Buyer's Property will be immediately released to Buyer or delivered to Buyer by Seller, either (i) FCA transport equipment at Seller's plant (Incoterms 2010), properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport such property, or (ii) to any location designated by Buyer, in which event Buyer will pay to Seller the reasonable costs of delivering such property to such location. To the fullest extent permitted by law, Seller waives any liens, claims, encumbrances, interests or other rights that Seller might otherwise have or assert on or with respect to any of Buyer's Property for work performed on such property or otherwise. To the extent any Intellectual Property Rights owned by or licensed to Seller is embodied in, or is

otherwise necessary for the intended use of, any Buyer's Property, Seller hereby grants to Buyer a fully paid, irrevocable, non-exclusive, worldwide, perpetual to the maximum extent permitted by law, royalty-free license, with the right to grant sublicenses as necessary for any use of Buyer's Property, to use such Intellectual Property Rights.

16. Seller's Property

Unless otherwise agreed to by Buyer, Seller, at its expense, will furnish, keep in good condition, and replace when necessary all machinery, equipment, tools, jigs, dies, gauges, fixtures, molds, patterns and other items (collectively, "Seller's Property") necessary for the production of the Supplies. Seller will insure Seller's Property with coverage for all losses for its replacement value. Seller grants Buyer an irrevocable option to take possession of and title to Seller's Property that is used exclusively for the production of the goods upon payment to Seller of its net book value less any amounts that Buyer has previously paid to Seller for the cost of such items, but less any amounts otherwise owing to Buyer by Seller; provided, however, that this option will not apply if Seller's Property is used to produce goods that are the standard stock of Seller or if a substantial quantity of like goods are being sold by Seller to others, and this option may only be exercised in connection with a termination of the Order under Section 14.1.2.

17. Intellectual Property

17.1 Warranty of Non-Infringement

Seller warrants that the Supplies and the sale and/or use thereof (before or after incorporation into products during manufacture) do not and will not infringe, misappropriate or violate any Intellectual Property Rights. "Intellectual Property Right" means all rights arising under U.S. or foreign law relating to patent, trademark, copyright, moral rights, industrial design right, Proprietary Information (as defined in Section 18) and trade secrets or other intellectual property rights.

17.2 Definitions

For purposes of these Terms, "Inventions" means discoveries, developments, concepts, ideas, improvements to existing technology, designs, processes, and/or procedures. For purposes of these Terms, "Embodiments" means reports, summaries, analyses, worksheets, financial data and information, drawings, renderings, specifications, documents, designs, sketches, models, prototypes, specialized tooling, notes, and other tangible work product, concepts, ideas, procedures, and original works of authorship, including interim work product, modifications and derivative works, and all similar matters, whether or not copyrightable or patentable, and also includes all records and expressions of those matters. "Documentation" will mean, without limitation, specifications, schematics, systems documentation, digital models, charts, designs, art work, details, drawings, procedures and similar materials.

17.3 Existing Components and Technologies

Consistent with the overall objective of maximum reuse of existing components, Buyer encourages Seller's use of existing technologies and off-the-shelf components. Seller will recommend existing Seller technologies, know-how, intellectual property rights, components, parts and the like that Seller and Buyer agree are appropriate for inclusion in the bill of materials for the vehicle. The Buyer accepts that, during the performance of the Order, Seller may use and/or apply Seller's Background Information (meaning all of the following existing prior to the date of the Order: knowledge and expertise, including, but not limited to, calculation procedures, data, models, software, know-how, inventions, operation and design know-how or other Intellectual Property Rights existing prior to the date of the Order which Seller brings to bear or provides in the course of carrying out or supplying the Order, whether or not contained in documents or other materials, and whether or not in the public domain but not including common knowledge in the field at the date of the Order). The Buyer will not obtain any ownership of such Background Information in connection with Seller's performance hereunder.

17.4 Types of New Technology

17.4.1 Buyer and Seller anticipate that Inventions and Embodiments made, conceived, developed, discovered, or reduced to practice by Seller individually or jointly with Buyer arising from or

generated during the course of performance of the services under any Order (collectively, "New Technology") will be in two primary areas:

(i) design or tooling/manufacturing process improvements or modifications of general application within the industry that are not otherwise a Buyer Innovation (as defined below (any such Invention or Embodiment a "Seller Innovation")); or (ii) design and development specific to the Buyer products (including Buyer's vehicle) or that is a unique, distinct or distinguishing feature of the Buyer products (including Buyer's vehicle) (any such Invention or Embodiment a "Buyer Innovation").

17.4.2 Ownership of all Seller Innovations together with all Seller's Background Information is not transferred to Buyer hereunder. Any Buyer Innovation developed in the performance of an Order, whether or not they may be protected by patent, copyright or otherwise, will be work made for hire and be the exclusive property of Buyer, and to the extent any such developments or work product do not qualify as work made for hire, Seller assigns all rights in such developments or work product to Buyer and will execute such further documents as may be necessary to record or otherwise enforce Buyer's rights therein including patent, copyright, trademark or other Intellectual Property rights, and all related expenses will be paid by Buyer. Seller hereby appoints Buyer as its attorney-in-fact to execute assignments of, and register all rights to, such Buyer Innovation.

17.4.3 Classification of New Technology. Any dispute or difference between the parties with respect to the classification of New Technology as either a Seller Innovation or a Buyer Innovation will first be discussed in good faith by the parties in order to try to find an amicable solution.

17.5 Licenses

17.5.1 Buyer grants Seller a revocable, worldwide, fully paid up, royalty free, non-exclusive, non-sublicensable, non-assignable right and license to use, make, have made, and import Buyer Innovations and associated Documentation, solely for the purposes of component manufacturing on behalf of Buyer and pursuant to the Order.

17.5.2 Seller grants Buyer an irrevocable, perpetual, worldwide, fully paid up, royalty free, non-exclusive, sublicensable (through multiple tiers), assignable right and license to use, reproduce, distribute, display, prepare derivative works, make, have made, import, sell, offer for sale, distribute, and modify Seller Innovations and associated Documentation for any purpose in connection with Buyer, its affiliates, subsidiaries, or their successors' or assigns' vehicle development and commercialization programs or the use of the Supplies delivered under any Order.

17.5.3 Seller grants Buyer an irrevocable, perpetual, worldwide, fully paid up, royalty-bearing, non-exclusive, assignable right and license to use, reproduce, distribute, display, prepare derivative works, make, have made, import, sell, offer for sale, distribute, license and sublicense (through multiple tiers) Seller's Background Information or other Seller Intellectual Property provided under, arising from or reasonably necessary for use in connection with any Order or the Supplies provided under or in connection with any Order and associated Documentation for any purpose in connection with Buyer, its affiliates, subsidiaries or their successors' or assigns' vehicle development and commercialization programs or the use of the Supplies delivered under any Order provided that, in connection with any sublicense to Buyer's production suppliers (i) such sub-license is only for use in connection with the Order or the Supplies and (ii) the name of the sub-licensee, are given to Seller upon written request.

17.6 Restriction on Use of Buyer's Intellectual Property

Seller will not manufacture or provide, or offer to manufacture or provide, any goods or services that are based in whole or in part upon inventions, confidential or Proprietary Information (as defined in Section 18) of Buyer or Intellectual Property Rights of Buyer, whether for its own purposes (other than to satisfy its obligations under Order), or any other third parties, without Buyer's prior written consent.

17.7 Subcontractor Obligations

Seller will ensure that the terms of its contracts with its subcontractors and employees are consistent with the terms of this Section.

18. Proprietary Information

18.1 Buyer's Information

All non-public, confidential or proprietary information of Buyer, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations,

customer lists or information, pricing, discounts or rebates, disclosed by Buyer to Seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with the Order and any other documents specifically incorporated in the Order and any and all services to be rendered and/or work to be performed pursuant to the Order is and shall be deemed confidential and proprietary information (collectively, "Proprietary Information") of Buyer. Seller will not, without authorization in writing from Buyer, use (except as necessary to the performance of the Order), communicate or disclose the confidential and proprietary information of Buyer or use such information for any purpose other than to perform its obligations under the Order. Seller will safeguard the confidential and proprietary information of Buyer by using reasonable efforts, and in any event no less effort than Seller uses in the protection of its own proprietary information of a similar nature, to prevent its disclosure to third parties. Seller will cause its employees, "contractors", officers, directors, agents and representatives to be bound by and comply with the foregoing restrictions regarding the use or disclosure of such confidential and proprietary information. Seller will not assert any claims with respect to any technical information which Seller will have disclosed or may hereafter disclose to Buyer in connection with the Supplies.

18.2 Limitations on Buyer's Information

The restrictions and obligations of Section 18.1 do not apply to information that: (a) is already publicly known at the time of its disclosure by Buyer; (b) after disclosure by Buyer becomes publicly known through no fault of Seller; or (c) Seller can establish by written documentation was properly in its possession prior to disclosure by Buyer or was independently developed by Seller without use of or reference to Buyer's information. Notwithstanding anything to the contrary in these Terms, any confidentiality or nondisclosure agreement between the parties that predates the Order will remain in effect except as expressly modified by the Order, and to the extent of a conflict between the express terms of such an agreement and this Section, the terms of that agreement will control.

18.3 Ownership

All documents containing proprietary information relating to the Supplies produced or acquired by Seller under an Order will belong to Buyer and Seller will execute documents confirming ownership to Buyer. All drawings, know-how, and confidential information supplied to Seller by Buyer and all rights therein will remain the property of Buyer and will be kept confidential by Seller.

18.4 Return

Seller will, within five business days of Buyer's request or the expiration or termination of Order, return all confidential and proprietary information (including all copies, notes and/or extracts thereof).

19. Insurance; Waiver of Liens

19.1 Insurance

Seller will furnish an insurance carrier's certificate showing that Seller has adequate insurance coverage in the following minimum amounts: workmen's compensation – statutory limits for jurisdictions in which work is to be performed; employer's liability \$1,000,000; general liability including premises, operations, independent contractors, and contractual liability \$10,000,000 single limit; owned and non-owned automotive liability – bodily injury \$5,000,000 per person and \$10,000,000 per occurrence; professional liability if professional services are included in Supplies - \$5,000,000; and broad form property damage on premises and in transit - \$5,000,000; and products and completed operations - \$10,000,000. Seller waives subrogation against Buyer. All policies must provide primary non-contributory coverage. Deductibles and co-insurance obligations of Seller will be limited to 1% of the amount of the coverages and will be paid by Seller. All policies will be issued by an insurer with an AM Best rating of A- or better licensed to do business in the state, province, and country where Buyer will use and sell the Supplies. Liability coverage must include products, completed operations and (if available) recall. Buyer must be named as an additional insured under the policies and the acts of Seller contrary to policy provisions will not be attributable to Buyer. Seller will furnish to Buyer a Certificate of Insurance completed by its insurance carrier(s) certifying that the required insurance coverages are in effect and will not be voided, canceled or materially changes until 30 days after prior written notice has been delivered to Buyer. The certificate must set forth the amount of each coverage, number of policy, date of

expiration and buyers as an additional insured. If Seller is a self-insurer of workers compensation liability, Seller will furnish Buyer a certificate of the Department of Labor, or similarly government authority of the jurisdiction in which any labor is to be performed approving the self-insurance. The purchase of such insurance coverage or the furnishing of a certificate will not be a satisfaction of Seller's liability hereunder, or in any way modify Seller's obligation to indemnify Buyer.

19.2 Waiver of Lien

Seller hereby waives all mechanics' liens and claims and agrees that none will be filed or maintained against Buyer's premises or Supplies and will cause all its subcontractors, material men and suppliers (and subcontractors of such parties) to provide similar waivers and agreements in form satisfactory to Buyer.

20. Force Majeure

Any delay or failure of either party to perform its obligations under the Order will be excused to the extent that Seller is unable to produce, sell or deliver, or Buyer is unable to accept delivery, buy or use, the Supplies covered by the Order, including, without limitation, Buyer's inability to use the Supplies due to disruption or cessation of normal business operations, directly or indirectly as the result of an event or occurrence beyond the reasonable control of such party, without such party's fault or negligence (a "force majeure event"), including, if applicable, actions by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars and sabotage; provided that written notice of such force majeure event (including the anticipated duration of the delay) must be given by the affected party to the other party as soon as possible. In no event, however, will Seller's performance be excused by: (a) the change in cost or availability of materials, components or services based on market conditions, supplier actions, labor disruptions or contract disputes; (b) Seller's financial distress; or (c) any labor strike or other labor disruption applicable to Seller or to any of its subcontractors or suppliers. During any force majeure event affecting Seller's performance, Buyer may, at its option, purchase Supplies from other sources and reduce its delivery schedules to Seller by such quantities, without liability to Seller, or require Seller to provide Supplies from other sources in quantities and at times requested by Buyer at the price set forth in the Order. Seller will use all diligent efforts to ensure that the effects of any force majeure event are minimized and, as promptly as possible, resume full performance under the Order. If requested by Buyer in writing, Seller will, within 5 days after Buyer's request, provide adequate assurances that the delay in Seller's performance resulting from such event will not exceed 30 days. If the delay lasts more than 30 days or Seller does not provide such adequate assurances, Buyer may immediately terminate the Order without liability to Seller.

21. Buyer's Liability

21.1 Limitation of Liability

Buyer's sole liability and Seller's exclusive remedies under the Order (including its termination, expiration or cancellation) is to pay for the Supplies in accordance with these Terms and to pay the specific termination related amounts described in Sections 14.5 and 14.8.

22. Limitation on Assignment and Subcontracting

The Order is issued to Seller, in reliance upon its personal performance of the obligations. Without prior written consent, which consent will not be unreasonably withheld, Seller may not: assign the Order or delegate the performance of its duties hereunder. Seller will ensure that the terms of its contracts with its sub-suppliers and subcontractors provide Buyer with all of the rights specified in the Order. Any subcontracting, assignment or delegation does not relieve Seller of any responsibility under the Order. For purposes of the Order, "assign" shall be construed broadly and shall include, but not be limited to, any transfer and any changes in control of Seller occurring as the result of any merger, consolidation, operation of law, change of more than 50% of the direct or indirect ownership of Seller, or change of the controlling managers, directors or partners of Seller.

23. Compliance with Laws; Export Compliance

23.1 All Laws

Seller will comply with all applicable laws, rules, regulations, ordinances or other requirements of any national, state, provincial, local, multi-national or international body (collectively "Laws") relating to the manufacture, sale, delivery and use of the Supplies. Upon written request, Seller will submit to Buyer evidence of such compliance.

23.2 Export Compliance

Seller represents and warrants that it is not subject to the jurisdiction of any country that is subject to a comprehensive U.S. embargo and is not designated on, or associated with, any party designated on any of the U.S. government restricted parties lists, including, without limitation: the U.S. Commerce Department's Bureau of Industry and Security ("BIS") Denied Persons List, Entity List or Unverified List; the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") Specially Designated Nationals and Blocked Persons List; or the U.S. State Department Directorate of Defense Trade Controls ("DDTC") Debarred Parties List. Seller represents and warrants that neither the Supplies nor any related technical data to be provided to Buyer in conjunction with this Order is controlled under the Commerce Control List of the Export Administration Regulations, the U.S. Munitions List of the International Traffic in Arms Regulations ("ITAR") or under the export control laws of its own country. Seller agrees to obtain any needed export license or authorization prior to the export of the Supplies purchased when necessary. Seller agrees that it will not export or re-export, directly or indirectly, any of Buyer's information, goods, software, and/or technology provided to it in conjunction with this Order, without complying with all applicable U.S. and international export control laws for which at the time of export or re-export an export license or other governmental approval is required, without first obtaining such license or approval.

24. Foreign Purchases

The following applies to all transactions involving Supplies to be imported into the country in which Seller's place of final delivery is located:

24.1 Buyer's Importation Rights

Buyer is not a party to the importation of the Supplies, the transaction(s) represented by an Order will be consummated subsequent to importation, and Seller will neither cause nor permit Buyer's name to be shown as "Importer of Record" on any customs declaration.

24.2 Customs Forms

Upon request and where applicable, Seller will provide Buyer and/or its designee all properly executed customs forms required by law for export and import of the Supplies. Upon request, Seller will furnish promptly all documents required for customs drawback purposes, properly completed in accordance with government regulations applicable thereto. Unless otherwise stated in the Order, all customs drawback will be credited to Buyer.

24.3 Other Certificates

Upon request, Seller will furnish promptly to Buyer certificates of local value added and certificates of origin in accordance with applicable government regulations.

24.4 Duties and Drawback Rights

The price for goods includes, and Buyer will own, all related export and import customs duties and import drawback rights, if any, including rights developed by substitution and rights that may be acquired from Seller's supplier(s) that Seller can transfer to Buyer. Buyer must include such provisions in all its subcontracts.

25. Miscellaneous

25.1 Jurisdiction and Applicable Law

The Order will be interpreted and enforced in accordance with the laws of the State of Michigan and of the United States of America, exclusive of the choice of law rules thereof. The state courts of Michigan in Oakland County, or the federal courts in the district including Oakland County will have exclusive jurisdiction and venue over any lawsuit arising out of or related to the Supplies or Order. The United Nations Convention on the International Sale of Goods does not apply.

25.2 Waiver

Either party's failure to insist on the performance by the other party of any term or failure to exercise any right or remedy reserved in the Order, or either party's waiver of any breach or default hereunder by the other party will not, thereafter, waive any other terms, conditions, rights, remedies, breaches or defaults, whether of the same or a similar type or not.

25.3 Severability

If any provision of the Order, or portion of any provision, is declared or found to be unenforceable, the balance of the Order or such provision will be interpreted and enforced to the greatest extent possible as if the unenforceable provision or portion had never been a part hereof. In particular, if any interest rate provided for herein is higher than that permitted by applicable law it will automatically be amended to the highest legal rate.

25.4 Survival

The obligations of Seller to Buyer survive termination of the Order, except as otherwise provided in the Order.

25.5 Interpretation

No provision may be construed against Buyer as the drafting party. Section headings are for convenience or reference only, and do not affect the meaning of the Order.

25.6 No Publicity

Seller will not advertise, publish or disclose to any third party (other than to Seller's professional advisors on a confidential and need-to-know basis) in any manner the fact that Seller has contracted to furnish Buyer the Supplies covered by the Order or any terms of the Order (including prices), or use any trademarks or trade names of Buyer in any press release, advertising or promotional materials, without first obtaining Buyer's written consent.

25.7 Relationship of Parties

Seller and Buyer are independent contracting parties and nothing in the Order will make either party the employee, agent or legal representative of the other for any purpose. The Order does not grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. Seller will be solely responsible for all employment and income taxes, insurance premiums, charges and other expenses it incurs in connection with its performance of the Order, except as expressly provided in a written agreement signed by Buyer. All employees and agents of Seller or its respective contractors are employees or agents solely of Seller or such contractors, and not of Buyer, and are not entitled to employee benefits or other rights accorded to Buyer's employees. Buyer is not responsible for any obligation with respect to employees or agents of Seller or its subcontractors.

25.8 Conflict of Interest

Seller represents and warrants that its performance of the Order will not in any way conflict with any continuing interests or obligations of Seller or its employees or contractors. Seller further warrants that while the Order is in effect, Seller and those of its employees and contractors participating in the performance of the Order will refrain from any activities which could reasonably be expected to present a conflict of interest with respect to Seller's relationship with Buyer or its performance of the Order.

25.9 Modification

No alteration, amendment, waiver, cancellation or any other change in any term or condition of the Order will be valid or binding on either party unless the same has been mutually agreed to in writing by both parties.

25.10 Notices

Any notice required or permitted to be given by either party under this Agreement will be in writing and personally delivered or sent by commercial courier service (e.g. Fed Ex) or by first class mail (certified or registered), or by telecopy confirmed by first class mail (certified or registered), to the other party at its address set forth in the Order or such other address as may from time to time be supplied by the parties. If mailed, notices will be deemed effective three (3) working days after deposit, postage prepaid, in the mail.

25.11 No Third Party Beneficiaries

Unless otherwise expressly provided herein, no provisions of Order are intended or will be construed to confer upon or give to any person or entity other than Buyer and Seller any rights, remedies or other benefits under or by reason of the Order.

<END>