

LC MANUFACTURING, LLC

TERMS AND CONDITIONS OF PURCHASE

1. AGREEMENT. These Terms and Conditions of Purchase ("**Terms and Conditions**"), together with any additional terms or conditions contained in the purchase order, blanket contract or other document to which these Terms and Conditions are attached or otherwise have been incorporated by reference, and any other documents attached to or incorporated therein by reference (collectively, this "**Purchase Order**"), constitutes an offer by LC Manufacturing, LLC ("**Buyer**") to the party to whom this Purchase Order is addressed and that party's affiliates, parents, subsidiaries and divisions (collectively, "**Seller**") to enter into a contract for the purchase, sale and delivery of the goods and/or services described in this Purchase Order (collectively, the "**Goods**"). THIS PURCHASE ORDER EXPRESSLY LIMITS ACCEPTANCE TO THE TERMS OF THIS PURCHASE ORDER; ANY ADDITIONAL OR DIFFERENT TERMS, WHETHER CONTAINED IN SELLER'S FORMS OR OTHERWISE PRESENTED BY SELLER AT ANY TIME, ARE REJECTED UNLESS EXPRESSLY AGREED TO IN WRITING BY BUYER. This Purchase Order will be accepted by Seller upon the first to occur of: (i) written acceptance, (ii) commencement of work on Goods, or (iii) any other conduct evidencing intent to be bound to this Purchase Order's terms.

2. TERM. Unless this Purchase Order specifies otherwise, the initial term of this Purchase Order begins on the effective date shown on this Purchase Order (the "**Effective Date**") and continues for twelve (12) consecutive months following the Effective Date (the "**Initial Term**"). Thereafter, this Purchase Order will automatically renew for successive terms of twelve (12) months each (each a "**Renewal Term**") unless Buyer provides Seller with a non-renewal notice at least sixty (60) days before the end of the Initial Term or any Renewal Term.

3. PRICE. Prices charged for Goods will be as stated in this Purchase Order and, unless otherwise provided in this Purchase Order, are not subject to increase for any reason, including changes in market conditions, increases in raw material, component, labor or overhead costs, or because of labor disruptions or fluctuations in production volumes. Seller is solely responsible for all transport and unloading charges and costs, customs charges and costs, taxes, tariffs, duties, insurance charges and costs, and any fiscal contribution related to the Goods, unless otherwise expressly stated in this Purchase Order. Seller represents and warrants that the price charged to Buyer for the Goods is at least as low as the price charged by Seller to other buyers, and Seller will ensure that prices for the Goods

remain competitive with the price of similar goods available from other sellers.

4. INVOICING AND PAYMENT. All invoices pursuant to this Purchase Order must reference this Purchase Order number, any applicable Purchase Order amendment, Buyer's part number (if applicable), the services performed, the scrap percentage, quantity of pieces in the shipment to Buyer's customer (each a "**Customer**"), number of cartons or containers, Seller's name, and bill of lading number. Buyer reserves the right to return and withhold payment on account of any invoices or related documents submitted incorrectly and any payment by Buyer of a nonconforming invoice is not an acceptance of any non-conforming element or terms on such invoice. Unless otherwise stated in this Purchase Order, Seller's invoices will be payable net (45) days following Buyer's or its Customer's receipt of the Goods or Seller's invoice, whichever is later. Any amount paid by Buyer for Goods will not be deemed to be a waiver of Buyer's or its Customer's right to inspect the Goods, nor will payment be deemed acceptance of Goods. Buyer will be entitled to any discounts allowable by Seller for prompt payment even though Buyer is unable to make payment within the time limits set by Seller where such failure is due to Seller's acts or omissions.

5. CHANGES. Buyer may at any time direct changes, or cause Seller to make changes, to the Goods or other terms of this Purchase Order, including changes in the specifications, processing, inspection, testing, quality control, methods of packing and shipping, and the date, time, or place of delivery (as applicable), and Seller agrees to promptly make such changes. Price and/or timing for delivery of Goods resulting from changes pursuant to this Section 5 will be equitably adjusted by Buyer following Buyer's receipt from Seller of sufficient documentation regarding Seller's costs and/or processing timing resulting from such changes, provided that Buyer receives such written documentation within ten days after notice of the applicable change was issued by Buyer to Seller. Seller may not make any change in (i) subcontractors or suppliers to Seller with respect to Goods, (ii) the processes or procedures used by Seller in the performing services on the Goods, or (iii) the composition, fit, form, function or appearance of Goods other than as specified in Buyer's or a Customer's specifications, without Buyer's advance written approval, which may be given or withheld in Buyer's sole discretion.

6. QUANTITY; DELIVERY.

A. Unless this Purchase Order requires Seller to provide only, or provide services on only, a specified quantity of Goods, this Purchase Order is for all of Buyer's requirements of the Goods or Seller's services for the Goods, which are determined by the needs of Buyer's Customers, and market, economic and other conditions. Unless stated elsewhere in this Purchase Order, Buyer will issue releases or other documentation to Seller to specify the quantities of Goods needing Seller's services, the delivery locations if different from Seller's location, and shipment dates and methods for the Goods (the "Releases"). Deliveries to Buyer or Buyer's Customer will be made in quantities, at the times and by the methods specified in this Purchase Order or in Releases. Time and quantity of delivery of Goods are of the essence. Buyer will not be required to pay for Goods delivered in excess of quantities specified in this Purchase Order or Releases. Premium shipping expenses and/or other related expenses necessary to meet delivery schedules set forth in Releases will be Seller's sole responsibility except to the extent the delay or expense was caused by Buyer's or its Customer's acts or omissions. Notwithstanding any agreement concerning payment of freight expenses, delivery will not have occurred and the risk of loss will not have shifted to Buyer until the Goods have been received at the specified delivery location (or been given to Buyer's or the Customer's carrier if the delivery location is Seller's location) and have been accepted by Buyer or its Customer at that location.

B. All packaging must conform to Buyer's or a Customer's standard packaging requirements, as applicable. Seller will: (i) properly pack, mark and ship Goods in accordance with Buyer's or a Customer's requirements and the involved carrier in a manner to secure the lowest transportation cost; (ii) route shipment in accordance with Buyer's instructions; (iii) make no charge for handling, packaging, storage, transportation (including duties, taxes, fees, etc.), cost of vehicle or other transport expenses unless otherwise approved by Buyer in writing; (iv) provide Buyer with shipment papers showing the Purchase Order number, Purchase Order amendment or Release number, Buyer's part number, Seller's part number where applicable, quantity of pieces in shipment, number of cartons or containers in shipment, Seller's name, the bill of lading number and the country of origin; and (v) promptly forward to Buyer the original bill of lading or other shipment receipt for each shipment. Identification of Goods on packing slips, bills of lading and invoices must be sufficient to enable Buyer to easily identify the Goods.

7. QUALITY. Seller will meet all of Buyer's and Buyer's Customer's quality requirements and agrees to participate in quality development programs, as may be revised from time to time. Seller may be held responsible for any and all costs associated with quality-issue investigation and containment of Goods. Seller is obligated to provide any reasonable support requested by Buyer to address and correct concerns regarding the Goods' quality or delivery. Seller will provide additional resources, as necessary and as identified by Buyer, to support process development, validation or any other issue that may jeopardize (a) the success of any work Seller performs on the Goods or (b) the timely delivery of the Goods. Seller must assure and demonstrate that its overall equipment and plant capacity are adequate to meet Buyer's needs.

8. SCRAP. Unless otherwise stated in this Purchase Order, (a) no more than one-half percent (0.5%) of the Goods will be scrapped during the course of Seller's performance of services on the Goods and (b) all costs and expenses of scrap in excess of one-half percent (0.5%) will be Seller's sole and exclusive responsibility. Seller agrees that Buyer may setoff, deduct, or recoup all costs and expenses associated with scrap in excess of the percentage identified above or in this Purchase Order.

9. WARRANTY. Seller warrants for the period provided by applicable law, or for such longer period as provided by Buyer to its Customers with respect to the Goods, that all Goods covered by this Purchase Order will conform to all specifications, standards, drawings, samples and/or descriptions, quality requirements, and, if applicable, performance requirements, and fit, form and function requirements furnished to Seller by Buyer, and all industry standards, laws and regulations in force in countries where the Goods or finished products incorporating the Goods are to be sold. Seller warrants that all Goods will be merchantable, safe, of good material (if Seller is providing any material) and workmanship and free from defects. In addition, Seller acknowledges that Seller knows of Buyer's and its Customer's intended use of the Goods and expressly warrants that all Goods will be fit and sufficient for the particular purpose intended by Buyer or its Customer. Seller warrants that Seller will keep the Goods free and clear of all liens, claims, interests and other encumbrances. The warranties provided in this Section 9 are in addition to all warranties imposed on Buyer by its Customers (which are incorporated herein by reference) and all other warranties, express, implied, statutory and common law, and will survive Buyer's or its Customer's inspection, test, delivery, acceptance, use and payment of and for the Goods, and inure to the benefit of Buyer, its successors and

assigns, and Buyer's Customers and the users of Buyer's or its Customers' products. The warranties provided for in this Section 9 may not be limited or disclaimed by Seller. Buyer's approval of Seller's designs, materials, processes, drawings, specifications or the like will not be construed to relieve Seller of any warranties, nor will a waiver by Buyer of any required specification as to any particular Goods constitute a waiver of any such requirements for the remaining Goods to be delivered unless so stated by Buyer in writing. Seller will immediately notify Buyer in writing if Seller learns of any fact, circumstance or condition that may cause or threaten to cause Seller's breach of any warranty or any delay or interruption in delivery of Goods.

10. NONCONFORMING GOODS. Buyer or Buyer's Customer, at its option, may reject and return, at Seller's risk and expense, Goods that fail to conform to the requirements of this Purchase Order even if the nonconformity does not become apparent to Buyer until the manufacturing, processing or assembly stage, or later. To the extent Buyer rejects Goods as nonconforming, the quantities under this Purchase Order will not be reduced by the quantity of nonconforming Goods unless Buyer so notifies Seller in writing. Seller will replace nonconforming Goods with conforming Goods after receipt by Buyer at Seller's cost and expense. Without limiting the foregoing, Seller will reimburse Buyer for (i) any amounts paid by Buyer on account of the purchase price of any rejected nonconforming Goods, and (ii) any costs incurred by Buyer in connection with the nonconforming Goods including, without limitation, any refunds made by Buyer to its Customer or costs related to inspection, sorting, testing, evaluations, storage and rework by Seller or a third party. Payment by Buyer for nonconforming Goods will not constitute an acceptance, limit or impair Buyer's right to seek any legal or equitable remedy, or relieve Seller's responsibility for latent defects.

11. BUYER'S REMEDIES. Should Seller breach or fail to perform any provision, representation or warranty of this Purchase Order, Seller will reimburse Buyer for any and all damages caused by such breach or failure to perform, including, without limitation, costs, expenses, damages and losses incurred by Buyer: (i) in inspecting, sorting, testing, repairing or replacing Goods; (ii) resulting from production interruptions by Buyer's Customer; (iii) recalls or similar campaigns conducted by Buyer's Customers or the customers of Buyer's Customers; (iv) in connection with claims for personal injury (including death) or property damage; (v) resulting from claims made against Buyer by its Customers and others; and (vi) resulting from Buyer's lost profits. Seller acknowledges and agrees that money

damages will not be a sufficient remedy for any actual, anticipatory or threatened breach of this Purchase Order by Seller with respect to Seller's timely delivery of Goods to Buyer and that, in addition to all other rights and remedies that Buyer may have, Buyer will be entitled to specific performance and temporary, preliminary and permanent injunctive and other equitable relief as a remedy for any such breach, without proof of actual damages and without bond or other security being required.

12. TERMINATION FOR CAUSE. Buyer may terminate immediately all or any part of this Purchase Order, without any liability of Buyer to Seller, if: (i) Seller repudiates, breaches or threatens to repudiate or breach any of the terms of this Purchase Order or any other agreement between Buyer and Seller; (ii) Seller fails to provide Buyer with adequate and reasonable assurance of Seller's ability to perform timely any of Seller's obligations under this Purchase Order; (iii) Seller is insolvent; or (iv) Seller becomes subject to a bankruptcy proceeding or similar event.

13. TERMINATION FOR CONVENIENCE. Notwithstanding the occurrence of any event subject to the terms of Section 16, Buyer may, at its option, terminate all or any part of this Purchase Order at any time and for any reason by giving written notice to Seller. Within 30 days after the date Buyer gives notice to Seller of termination under this Section 13, Seller will submit to Buyer a written notice setting forth in sufficient detail to allow Buyer to perform an audit, (1) the Purchase Order price for Goods completed as of the date of termination in accordance with this Purchase Order and not previously paid for, (2) the actual costs of work in process incurred by Seller as of the date of termination in furnishing Goods under this Purchase Order to the extent such costs are reasonable in amount and are properly allocable or apportionable under generally accepted accounting principles to the terminated portion of this Purchase Order, including the actual cost of work in the process and materials delivered to Buyer together with the reasonable cost of discharging liabilities which are so allocable or apportionable (the "Termination Claim"). A Termination Claim is Seller's sole remedy for termination of this Purchase Order under this Section 13 and will under no circumstances include lost profits or incidental or consequential damages. If the Termination Claim is received by Buyer timely and Buyer is able to verify the costs set forth in the Termination Claim, Buyer will pay to Seller the amount set forth in the Termination Claim within sixty (60) days after Buyer completes its review of and approves the Termination Claim. Notwithstanding the foregoing, if Buyer terminates the Purchase under this

Section 13 as a result of Buyer's Customer terminating an agreement with Buyer, Buyer's liability for the Termination Claim will be limited in proportion to the amounts actually recovered by Buyer from its Customer for the termination.

14.OBLIGATIONS UPON TERMINATION. Upon the expiration or earlier termination of this Purchase Order for any reason, Seller will take such actions as may be reasonably required by Buyer to transition production of Goods from Seller to an alternative seller. Among other things, Seller will: (A) return to Buyer all Bailed Property (defined below) and any other property furnished by or belonging to Buyer or any of Buyer's Customers; and (B) at Buyer's option: (i) sell to Buyer, at Seller's actual cost, any or all inventory and/or work in process relating to this Purchase Order; and (iii) sell to Buyer, for a price equal to the unamortized portion of the cost of such items less any amounts Buyer previously has paid to Seller for the cost of such items, any or all of Seller's Tooling (defined in Section 18 below) or machinery or equipment used by Seller to manufacture Goods.

15.SELLER'S REMEDIES. Because Buyer's commitments to its Customers are made in reliance on Seller's commitments under this Purchase Order, Seller has no right to terminate this Purchase Order. NOTWITHSTANDING ANYTHING IN THIS PURCHASE ORDER TO THE CONTRARY, UNDER NO CIRCUMSTANCES WILL BUYER BE LIABLE TO SELLER UNDER ANY CONTRACT, TORT, INDEMNITY, STRICT LIABILITY, OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFITS, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS PURCHASE ORDER, WHETHER OR NOT BUYER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, BUYER WILL UNDER NO CIRCUMSTANCES BE LIABLE TO SELLER FOR ANY AMOUNTS IN EXCESS OF THE AMOUNT BUYER PAID TO SELLER UNDER THIS PURCHASE ORDER DURING THE SIX-MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT OR CIRCUMSTANCE GIVING RISE TO SUCH LIABILITY. THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. Any legal action by Seller against Buyer arising under or relating to this Purchase Order must be commenced within one year after the breach or other event giving rise to such claim.

16.EXCUSABLE DELAY. Any delay or failure of Buyer or Seller to perform its obligations under this Purchase Order will be excused if, and to the extent that, the party is unable to perform specifically due to an event or occurrence

beyond its reasonable control and without its fault or negligence (which events may include acts of God; restrictions, prohibitions, priorities or allocations imposed or actions taken by a governmental authority; embargoes; fires; explosions; natural disasters; riots; or wars). During any delay or failure to perform by Seller, Buyer may, at its option: (a) purchase the Goods from other sources and reduce its Releases to Seller by such quantities without liability of Buyer to Seller, and require Seller to reimburse Buyer for any additional costs to Buyer of obtaining the substitute Goods compared to the prices set forth in this Purchase Order; (b) require Seller to deliver to Buyer or its Customer, at Seller's expense, all finished Goods or work in process produced or acquired under this Purchase Order; (c) require Seller to provide Goods from other sources in quantities and at a time requested by Buyer and at the price set forth in this Purchase Order; or (d) require Seller to provide Buyer with such assistance (including technical assistance) that is necessary for Buyer to purchase goods or services similar to the Goods from third parties. Seller's financial inability to perform, changes in cost or availability of materials, components or services based on market conditions, and/or supplier actions or contract disputes will not excuse performance by Seller under this Section 16, theories of *force majeure*, commercial impracticability or otherwise, and Seller expressly assumes these risks. Seller will promptly notify Buyer of any labor dispute that may cause an interruption or delay in Seller's production or delivery of the Goods to Buyer. Seller will notify Buyer at least 30 days before the termination or expiration of any collective bargaining or other labor agreement that relates to Seller's, or Seller's subcontractor's or supplier's, employees involved in the production or delivery of the Goods.

17.COMPLIANCE WITH LAW. Seller will comply with, and ensure that all Goods comply with and satisfy the requirements of, all applicable federal, state and local laws and regulations. If Seller subcontracts any of its duties or obligations under this Purchase Order, Seller will ensure that all subcontractors comply with the requirements under this Section 17. Seller will upon Buyer's request certify to Buyer compliance with this Section 17 in writing. Seller will also, at Seller's sole expense, provide to Buyer or its Customer all information and documentation necessary or desirable for Buyer to comply with all applicable laws or regulations or obligations imposed by any governmental agency (including with respect to export licensing, origin marking and labeling, certification and local content reporting, customs drawbacks and other licensing or registration). To the extent Seller is responsible for the delivery of the Goods, export licenses or authorizations necessary for the export of Goods will be the responsibility

of Seller unless otherwise expressly stated in this Purchase Order. Credits or benefits resulting or arising from this Purchase Order including trade credits, export credits, customs drawbacks, and the refund of duties, taxes or fees, will belong to Buyer.

18. BUYER'S PROPERTY.

A. All tooling, dies, test and assembly fixtures, gauges, jigs, patterns, casting patterns, cavities, molds, and documentation (including engineering specifications, and test reports) together with any accessories, attachments, parts, substitutions, replacements and appurtenances thereto and all related Intellectual Property Rights (defined below) used by Seller in connection with its production and sale of the Goods (collectively, "**Tooling**") and other supplies, materials, machinery, equipment, drawings, photographic negatives and positives, artwork, copy layout, electronic data, consigned material for production or repair and other items furnished by Buyer (or Buyer's Customers), either directly or indirectly, to Seller or to any sub-supplier of Seller in connection with or related to this Purchase Order, or for which Seller has been at least partially reimbursed by Buyer (collectively, "**Bailed Property**") will be and remain the property of Buyer (or Buyer's Customer(s), as applicable) and be held by Seller on a bailment-at-will basis. Seller will bear the risk of loss of and damage to Bailed Property and Seller, at its own expense, will keep Bailed Property fully insured for the benefit of Buyer. The Bailed Property will not be used by Seller for any purpose other than the performance of this Purchase Order, will be conspicuously marked by Seller to identify it as the property of Buyer and indicate Buyer's name and address, 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 the prior written approval by Buyer. Seller will maintain a written inventory of all Bailed Property that sets forth a description and the location of all Bailed Property, and provide a copy of this inventory to Buyer upon request. Seller, at its expense, will maintain, repair and refurbish Bailed Property. All replacement parts, additions, improvements and accessories for such Bailed Property will automatically become Buyer's property upon their incorporation into or attachment to the Bailed Property. Any missing components of or inserts to any Bailed Property will be replaced by Seller.

B. Buyer may, at any time, for any reason and without payment of any kind, retake possession of any Bailed Property without the necessity of obtaining a court order. Upon Buyer's request, Bailed Property will be immediately released to Buyer or delivered to Buyer by Seller. TO THE FULLEST EXTENT PERMITTED BY LAW, SELLER

WAIVES ANY LIENS, CLAIMS, OR OTHER RIGHTS OR INTERESTS THAT SELLER MIGHT OTHERWISE HAVE ON OR WITH RESPECT TO ANY OF THE BAILED PROPERTY.

19. INTELLECTUAL PROPERTY.

A. For purposes of this Purchase Order, the term "**Intellectual Property Rights**" means all inventions, patents (including utility patents and design patents), trade secrets, trademarks, service marks, trade dress, industrial designs, mask works, copyrights, know-how, software, data base rights and other proprietary rights; "**Background Intellectual Property Rights**" means the Intellectual Property Rights of either Buyer or Seller existing before the date an applicable Purchase Order is received by Seller, as well as any improvements thereto, excluding the Foreground Intellectual Property Rights; and "**Foreground Intellectual Property Rights**" means any and all Intellectual Property Rights developed for incorporation into the Goods that are either developed by Buyer alone, by Buyer and Seller jointly, or by Seller alone as requested by Buyer in connection with this Purchase Order, but excluding Background Intellectual Property Rights.

B. Each party will retain exclusive ownership of its Background Intellectual Property Rights. Buyer does not transfer to Seller any of its Background Intellectual Property Rights, and Seller may not use the same other than to produce and supply Goods to Buyer. Except as stated in this Section 19, Seller does not transfer to Buyer any Background Intellectual Property Rights of Seller, except that Seller grants to Buyer and its Customers the right to resell Goods or incorporate Goods purchased from Seller into finished goods and to sell the same. Seller grants to Buyer an irrevocable, non-exclusive, worldwide, perpetual license, with the right to grant sublicenses, to use Seller's Background Intellectual Property Rights to produce, use, sell and to obtain, from alternate sources, products and services similar to the Goods (including related systems and components); provided, however, that Buyer may not use the foregoing license until this Purchase Order is terminated or has expired. There will be no fee for this license. All Foreground Intellectual Property Rights will be owned by Buyer. Seller hereby confirms the same and assigns to Buyer all of Seller's right, title and interest in and to all Foreground Intellectual Property Rights. To the extent that any Foreground Intellectual Property Rights are copyrightable works or works of authorship (including computer programs, technical specifications, documentation and manuals), Buyer and Seller agree that they are "works made for hire" as that term is used in connection with the U.S. Copyright Act. Seller may only use the Foreground

Intellectual Property Rights to produce and supply Goods to Buyer. Seller warrants that Goods do not and will not infringe upon, violate or misappropriate the Intellectual Property Rights of any third party and waives any claim against the Buyer Parties (defined in Section 21 below), including any hold-harmless or similar claim, whether known or unknown, contingent or latent, in any way related to a claim asserted against Seller or Buyer for infringement of any Intellectual Property Rights.

20. CONFIDENTIALITY; ADVERTISING. Seller will (i) keep all of Buyer's Information (defined below) confidential and disclose it only to its employees who need to know such information in order for Seller to supply Goods to Buyer under this Purchase Order and (ii) use Buyer's information solely for the purpose of supplying Goods to Buyer. "**Buyer's Information**" means all information provided to Seller by Buyer or its representatives or subcontractors in connection with the business, programs, and Goods data, formulas, compositions, designs, sketches, photographs, samples, prototypes, manufacturing, packaging or shipping methods and processes and computer software and programs (including object code and source code). Buyer's Information also includes any materials or information that contains, or is based on any of Buyer's information, whether prepared by Buyer, Seller or any other person. Seller will not refer to Buyer in advertising or public releases without Buyer's prior written approval and will not use Buyer's trademarks or trade names in advertising or promotional materials.

21. INDEMNIFICATION. Seller will indemnify, defend and hold harmless Buyer and its affiliates, subsidiaries and Customers, and their directors, officers, employees, representatives and agents (collectively, the "**Buyer Parties**") from and against any claims, liabilities, damages, costs and expenses (including reasonable fees for attorneys, experts, consultants and other professionals, settlement costs and judgments) incurred in connection with any claims (including lawsuits, administrative claims, regulatory actions and other proceedings to recover for personal injury or death, property damage or economic losses of any kind) that are related in any way to or arise in any way from (i) the Goods, (ii) Seller's representations and warranties to Buyer, (iii) Seller's performance of or failure to perform its obligations under this Purchase Order, including claims based on Seller's breach or alleged breach of warranty (whether or not the Goods have been incorporated into Buyer's products and/or resold by Buyer), (iv) Seller's violation of any applicable law, ordinance or regulation or government authorization or order; (v) Seller's provision of incorrect information or non-compliance with customs

regulations; (vi) damages to the property of Buyer or injuries (including death) to its employees or any other person arising from or in connection with Seller's performance of work or use of Buyer's property; (vii) any actual or alleged direct or contributory or vicarious infringement of, or inducement to infringe, any United States or foreign Intellectual Property Right by reason of the manufacture, use, sale, offering for sale, importation or distribution of the Goods (including such claims where Seller has provided only part of the Goods); and (viii) Seller's disclosure of Buyer's Information in violation of Section 20.

22. SETOFF AND RECOUPMENT. In addition to any right of setoff or recoupment provided or allowed by law, Buyer and any of its affiliates, subsidiaries and divisions ("**Buyer Group**") may, without notice to Seller, setoff against or recoup from any amounts owing or indebtedness outstanding to Seller or any of its affiliates, subsidiaries and divisions ("**Seller Group**") any amounts owing or indebtedness outstanding to any member of the Buyer Group by any member of the Seller Group including for damages resulting from breaches by Seller of its obligations under this or any other Purchase Order. If an obligation of any member of the Seller Group is disputed, contingent or unliquidated, payment by any member of the Buyer Group of all or any portion of the amount due may be deferred until such dispute contingency is resolved or the obligation is liquidated.

23. SUBCONTRACTS. Seller will not subcontract any of its duties or obligations under this Purchase Order without prior written approval by Buyer, which may be granted or withheld in Buyer's discretion. Seller will ensure that any subcontractor so approved complies with requirements of Buyer and Buyer's Customers.

24. CAPITAL EQUIPMENT – SUPPLEMENTAL TERMS. In addition to being governed by these Terms and Conditions, if this Purchase Order is for the purchase of equipment ("**Equipment**"), Seller agrees that Buyer's Supplemental Capital Equipment Terms (the "**Supplemental Terms**") apply. In the event of an inconsistency between these Terms and Conditions and the Supplemental Terms, the Supplemental Terms will control as to the Equipment.

25. GENERAL TERMS

A. Entire Agreement; Modification. This Purchase Order constitutes the entire agreement between Seller and Buyer with respect to the matters contained in this Purchase Order and will be deemed to supersede all prior oral or written representations and agreements of Buyer or Seller. This Purchase Order may only be modified in a writing signed by an authorized representative of Buyer.

B. Interpretation. Whenever the word "including" (or any variation thereof) is used in these Terms and Conditions, it is deemed to be followed by the words "without limitation."

C. Relationship of Parties. Seller and Buyer are independent contracting parties and nothing in these Terms and Conditions will make either party the agent or legal representative of the other for any purpose, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.

D. Assignment. Seller may not assign or delegate its obligations under this Purchase Order without Purchaser's prior written consent, which consent may be withheld in Purchaser's sole discretion. Any purported assignment in violation of this section will be null and void.

E. Access. Buyer or its representatives will have the right to enter Seller's facilities during normal business hours to inspect and validate the facilities, Goods (including quality issues related to the Goods), any Bailed Property, production capability, and capacity, and, without the necessity of a court order, remove property belonging to Buyer or any Customer of Buyer. Buyer's inspection of the Goods whether before delivery or within a reasonable time after delivery will not constitute acceptance of any work in process or finished Goods.

F. Seller's Financial Condition. Seller represents and warrants to Buyer that, as of the date of this Purchase Order and each delivery of Goods, it is not insolvent, it is paying all debts as they become due, it is in compliance with all loan covenants and other obligations to which it is subject, and all financial information provided to Buyer concerning Seller is true and accurate, fairly represents Seller's financial condition, and has been prepared in accordance with Generally Accepted Accounting Principles, uniformly and consistently applied.

G. Third-Party Beneficiaries. This Purchase Order is intended for the benefit of Buyer and each of its affiliates, subsidiaries and Customers, each of which are express third-party beneficiaries under this Purchase Order and will have the right to enforce this Purchase Order against Seller. This Purchase Order is not intended to benefit any other third party.

H. Severability. If any terms(s) of this Purchase Order is invalid or unenforceable, such term(s) will be deemed reformed or deleted, as the case may be, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this Purchase Order will remain in full force and effect.

I. Rights Reserved; No Waiver. All of Buyer's rights and remedies set forth in this Purchase Order are in addition to any other rights and remedies of Buyer arising under this Purchase Order or applicable law, each of which are expressly reserved by Buyer. Buyer's failure at any time to require performance by Seller of any provision of this Purchase Order will in no way affect the right to require such performance at any time thereafter, nor will Buyer's waiver of a breach of any provision of this Purchase Order constitute a waiver of any succeeding breach of the same or any other provision. Any waiver of a right or remedy by Buyer under this Purchase Order on any one occasion will not be construed as a bar to any right or remedy that Buyer would otherwise have had on a subsequent occasion.

J. Notices. All notices, claims and other communications to Buyer required or permitted under this Purchase Order will be made in writing and will be effective only upon actual receipt of same by Buyer. Seller's failure to provide any notice, claim or other communication to Buyer in the manner and within the time periods specified in this Purchase Order will constitute a waiver by Seller of any and all rights and remedies that otherwise would have been available to Seller upon making such notice, claim or other communication. Notices to Buyer will be provided at the address set forth on the face of this Purchase Order.

K. Electronic Communications. Seller will comply with the method of electronic communication specified by Buyer, including requirements for electronic funds transfer, invoice and purchase order transmission, electronic signature, and other communications.

L. Governing Law. This Purchase Order will be governed by the laws of the State of Michigan without regard to any otherwise applicable conflict of laws provisions. The United Nations Convention on the International Sale of Goods is expressly excluded.

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

