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Globe Tech Purchase Order Terms and Conditions

GENERAL

These terms and conditions and associated or identified documents are issued by GLOBE TECH MANUFACTURED PRODUCTS LLC., a Michigan limited liability company (the Buyer”), and will apply to all orders and agreements (the “Purchase Order”) issued to the supplier identified in Buyer’s Purchase Order (the “Seller”) for the supply of all parts and materials, both production and non-production, and all services (collectively the “Goods”).

1) OFFER, ACCEPTANCE, AND MODIFICATION: This Purchase Order is an offer to Seller by Buyer to enter into the purchase/supply agreement. Seller has read and understands this order and agrees that Seller’s written acceptance or commencement of any work or service pursuant to the Purchase Order shall constitute Seller’s acceptance of these terms and conditions only. This Purchase Order, including all referenced agreements, attachments, exhibits and other documents, shall constitute the entire agreement between the parties concerning the supply of the Goods, and this Purchase Order shall supersede all prior agreements and discussions whether oral or in writing. The Purchase Order may only be accepted upon these express terms and conditions without modification. The Purchase Order shall not include and Buyer expressly rejects any terms or conditions contained in any Seller purchase order or confirmation document without written acceptance of such terms and conditions by Buyer. This Purchase Order may only be modified by a written purchase order amendment/Alterations issued by Buyer.

2) CERTIFICATE OF CONFORMANCE shall be provided by the manufacturer and/or the distributor of its products with each SHIPMENT OF PRODUCT to Globe Tech (no exception). Copies shall be maintained by the Seller as a quality record. In no case shall the CofC be altered or show signs of alteration. Failure to provide CofC with shipment may result in rejection or delayed payment.

3) Seller shall have a quality management system that, at minimum, meets the current ISO 9001 standard. It is preferable, yet not required, that Seller meets the requirements of IATF or AS9100.

4) PACKAGING, MARKING AND SHIPPING: Product shall be wrapped and/or contained in such a manner to prevent handling and transportation damage. Seller agrees to (a) properly pack, mark and ship Goods in accordance with the requirements of Buyer and involved carriers in a manner to secure lowest transportation cost; (b) to route shipments in accordance with instructions from Buyer’s traffic department; (c) to make no charge for handling, packing, marking, storage, shipping/transportation or drayage of Goods or for materials used therein, unless otherwise stated in this Purchase Order; (d) to provide with each shipment packing slips with Buyer’s Purchase Order number marked thereon; (e) to properly mark each package with this Purchase Order number, the factory, the plant and dock number, and when multiple packages comprise a single shipment, to consecutively number each package, and (f) to obtain a straight bill of lading with Buyer’s Purchase Order number marked thereon and retain the original bill of lading for a period of three years from the date of shipment unless otherwise directed by Buyer. Seller shall promptly forward a copy of the bill of lading or other shipping receipt for each shipment in accordance with Buyer’s instructions. Seller will include on bills of lading or other shipping receipts correct classification identification of the Goods shipped in accordance with the Buyer’s instructions and carrier requirements. The marks on each package and identification of the Goods on packing slips, bills of lading and invoices shall be sufficient to enable a Buyer to easily identify the Goods purchased. Seller shall reimburse Buyer for all expenses incurred by Buyer as a result of improper packaging, marking, routing, or shipping. Seller shall deliver the Goods F.O.B. Buyer’s plant, and Seller shall bear the risk of loss and be responsible for loss, damage, and injury that results from, or occurs during, shipping of the Goods whether by Seller’s vehicles or by the designated carrier.

5) **CONTRACT REVIEW /conversion of Globe Tech requirements:** The Seller shall review the purchase order along with accompanying documentation, and product manufacturing, processing, and testing requirements PRIOR to its initiation. Any inconsistencies noted with the purchase order, part or other documents referenced by the purchase order shall be communicated to Globe Tech. Seller's proceeding with work without written concurrence does so at their own risk. Product will not be accepted by Globe Tech unless it is compliant to the purchase order and all referenced documentation. Upon acceptance of the contract Seller shall assure quality and contractual requirements are adequately communicated and flowed down internally. Inspect all top level and subcomponents per drawing including all notes and specifications.

6) **SPECIAL PROCESSES:** Any processes for which resulting output(s) cannot be verified after the process without destructive testing and where deficiencies may only become apparent after the product is in use, are considered to be special processes. To prevent output deficiencies, these special processes must be validated in order to prove that they can generate planned results. Seller shall identify any special processes and take the measures necessary to assure the process is capable of continually achieving the planned results.

WELDING (if applicable): Prior to beginning work, contractor shall have welding procedures known as weld process sheets (WPS) available at all welding facilities; these WPS must be tested and qualified to IAW standards. The contractor shall weld ferrous armor and structural steel with yield strength greater than 80KSI to the welding standard appropriate for the thickness of the material. All weld procedures must be qualified to the provisions contained in AWS D1.1 and documented in the WPS format.

7) **TRAINING/COMPETENCY:** Seller will ensure that employees and people working on its behalf have been trained and are competent, including the proper certification to perform special processes, tasks, and maintenance as required, to support and meet all the Purchase Order and flow down requirements. The Buyer reserves the right to review all documentation supporting qualification of Seller or Seller's sub-tier personnel and Certifying Staff.

8) **SUB-TIER FLOW DOWN:** Seller's quality system shall ensure all relevant purchase order requirements are flowed down to their sub-tier suppliers. The Seller's sub-tier suppliers are responsible to comply with the same specifications and requirements specified on the purchase order and accompanying documentation.

9) **CALIBRATION SYSTEM:** All inspection, measuring and testing equipment used by the Seller during in-process and final inspection to make a compliance evaluation shall be calibrated to either ISO/IEC 17025:2005 or NIST.

10) **CHANGE NOTIFICATION AND APPROVAL:** Except for first time purchases, items furnished under a purchase order shall be identical in form, fit and function to product previously accepted by Globe Tech. Any changes or deviations from the design must be approved; any changes to the Seller's manufacturing process, sub-suppliers, and/or location shall be approved in advance and notification provided. The Seller is not authorized to outsource any portion of the Purchase Order requirements unless specifically authorized by the Buyer in writing.

11) **COMPONENT SUBSTITUTION:** No component substitution is allowed without Globe Tech approval. Alternate or equivalent parts shall be approved by Globe Tech Quality and/or Engineering in writing.

12) **COUNTERFEIT PARTS:** Seller shall certify that only new and authentic materials are used, and that Globe Tech receives no counterfeit parts.

13) **NOTIFICATION OF OBSOLESCENCE:** The Seller shall notify Globe Tech of any planned material or component obsolescence prior to the acceptance of any purchase order. In addition, the Supplier shall

notify Globe Tech of any plans to obsolete material on any and all existing orders with sufficient notice to facilitate, when applicable, an option for last time buy.

14) **RIGHT OF ACCESS:** With appropriate notice, Globe Tech, their Customers, and regulatory authorities shall be afforded the right to access of all Seller premises that is involved with their product, and to all applicable records.

15) **DELIVERY SCHEDULES:** Deliveries shall be made both in quantities and times specified in Buyer's schedules. Buyer shall not be required to make payment of Goods delivered to Buyer which are excess of quantities specified in Buyer's delivery schedules. Buyer may change rate of scheduled shipments or direct temporary suspension of shipments, neither of which shall entitle Seller to a modification of price for Goods or services covered by this Purchase Order. For Purchase Orders of Goods where quantities and/or delivery schedules are not specified, Seller shall deliver Goods in such quantities and times as Buyer may direct in subsequent releases.

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

17) **BILLING AND FLSA CERTIFICATION:** Payment terms will be specified on the face of this Purchase Order or if not stated, shall be on the 25th day of the month following Buyer's receipt of proper invoice (except as may otherwise be agreed upon by Buyer and Seller in connection with a program providing for electronic funds transfer). Seller agrees to promptly render, after delivery of Goods or performed services, correct and complete invoices to Buyer and to accept payment by check, or at Buyer's discretion, other cash equivalent including electronic transfer of funds. Time for payment shall not begin until correct and complete invoices are received, and Seller's cash discount to Buyer shall be extended until such time as payment is due. As applicable for tooling orders, the time for payment for tools will not begin until after successful submission and approval of production samples and PPAP submission via QS-9000 procedures. Seller's invoice must include a certification that all Goods were produced in compliance with the applicable requirements of section 6,7, and 12 of the Fair Labor Standards Act, as amended, and associated regulations and orders of the United States Department of Labor. Buyer may withhold payment pending receipt of evidence, in such form and detail as Buyer may direct, of the absence of any liens, encumbrances and claims on the Goods or services under this Purchase Order.

18) **SALES AND USE TAXES:** Unless specified, Seller shall not charge to Buyer state or local sales or use taxes on production Goods. Buyer will use such Goods for resale or in industrial processing or manufacturing. If Buyer notifies Seller of its permit number, Seller shall not charge to Buyer sales or use taxes on purchased prototype, experimental or non-production Goods where Buyer maintains a direct pay permit.

19) **CHANGES:** Buyer reserves the right at any time to direct changes, or cause Seller to make changes to the design (including drawings, materials and specification), processing, method of packing and shipping, and the place of delivery of the Goods or to otherwise change the scope of the work covered by this Purchase Order, including work with respect to such matters as inspection, testing or quality control and Seller agrees to promptly make such changes. Any difference in price or time for performance resulting from such changes shall be equitably adjusted by Buyer after receipt of documentation in such form and detail as Buyer may direct. Seller shall not make any changes in design, processing, packing, shipping, or place of delivery without Buyer's written approval. Any changes in this Purchase Order shall be made in accordance with paragraph 1.

20) **NONCONFORMING GOODS:** The Seller shall notify the Buyer in the event of nonconforming product/material upon its discovery, including pre and post-delivery, to obtain the Buyer's disposition acceptance or rejection and when there is a potential quality and supply disruption to the Buyer. The Buyer, at its sole option, may retain and correct Goods that fail to meet the requirements of this Purchase Order or may reject such non-conforming Goods and hold, at Seller's expense, such non-conforming Goods for disposition according to Seller's written instructions at Seller's sole risk. To the extent Buyer rejects Goods as nonconforming, the quantities under this Purchase Order will automatically be reduced, unless Buyer otherwise notifies Seller. Seller will not replace quantities so reduced without a new Purchase Order or schedule from Buyer. Seller's failure to provide written instructions within ten (10) days, or such shorter period as may be commercially reasonable under the circumstances, after notice of nonconformity shall entitle Buyer, at Buyer's option, to charge Seller for storage and handling, or to dispose of the Goods without liability to Seller. If Buyer elects to correct the Goods, it shall consult with Seller on the method of correction. Seller shall reimburse Buyer for all costs and expenses incurred in correction. Payment for nonconforming Goods shall not constitute acceptance, limit or impair Buyer's right to assert a legal or equitable remedy, or relieve Seller's responsibility for latent defects.

21) **REMEDIES FOR NONCOMPLIANCE:** Seller must provide adequate and timely response to any CAR/Complaint issued by Globe Tech. Globe Tech reserves the right to require specific actions when timely and/or effective corrective action(s) to a quality issue are not achieved. These actions may include but are not limited to the following: withholding payment until issue is resolved, removal of Seller from Approved Vendor List (AVL), termination of future business, and/or legal action.

22) **FORCE MAJEURE:** Any delay or failure of either party to perform its obligations under this Purchase Order shall be excused if, and to the extent that, it is caused by an event or occurrence beyond reasonable control of the party and without its fault or negligence, including without limitation, acts of god, acts of any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars sabotage, labor problems(including lockouts, strikes, and slowdowns) inability to obtain power, material, equipment, labor or transportation, or court injunction or order; provided that written notice of such delay (including the anticipated duration of the delay) shall be given to the affected party by the other within ten (10) days. During the period of such delay or failure to perform by Seller, Buyer, at its option, may purchase Goods from other sources and reduce its schedules to Seller by such quantities without liability to Seller or have Seller provide the Goods from other sources in quantities and at times requested by Buyer and at the price set forth in this Purchase Order. If requested by the Buyer, Seller shall within ten (10) days of such request, provide adequate assurances that the delay shall not exceed thirty (30) days. If the delay lasts more than thirty (30) days, or Seller does not provide adequate assurance that the delay will cease within thirty (30) days, Buyer may immediately cancel the Purchase Order without liability, and Buyer, at its sole option, may acquire possession of all finished goods, work-in-process and parts and materials, including, without limitation, Tools, produced or acquired for the work under the Purchase Order. Seller shall deliver such articles to Buyer, at Buyer's option, F.O.B. carrier Seller's facility or F.O.B. Buyer's facility, freight collect.

23) **WARRANTY:** Seller expressly warrants that all Goods or services covered by this Purchase Order will conform to the specification; drawing, samples or descriptions furnished to or by Buyer, and will be merchantable of good material and workmanship and free from defect in design, materials and workmanship. In addition, Seller acknowledges that Seller knows of Buyer's intended use and expressly warrants that all Goods covered by this Purchase Order have been selected, designed, manufactured, or assembled by Seller, based upon Buyer's states use, will be fit and sufficient for the particular purposes intended by Buyer. Seller will indemnify, defend and hold Buyer harmless in respect of all loss, liability, cost and expense of recall campaigns and other corrective service actions that, in Buyer's reasonable judgment, are required to rectify nonconformities of Goods that are the result of a breach of the foregoing warranty. All Goods supplied pursuant to the Purchase Order shall be delivered free and clear of any security interest, lien, encumbrances or claims of any kind. To the extent the Seller is furnishing services, such work and services rendered and performed by the Seller pursuant to the Purchase Order shall be conducted in a manner consistent with the highest level of practice, care and skill exercised by members of the profession who perform similar work or services.

24) INDEMNITY: Seller shall indemnify and defend Buyer, its employees, agents, representatives and customers for all claims (including lawsuits, administrative claims, and other proceedings to recover for personal injury or death, property damage, or economic losses, liabilities, costs and expenses (including reasonable attorney fees, expert fees and court costs) arising from or related to Seller's performance or obligations under the Purchase Order, including without limitation, claims related to a breach of warranty, Seller's work and services performed under the Purchase Order, Seller's performance of work at Buyer's premises or use of Buyer's property, and any violation of law or regulation by Seller, its employees, agents and contractors. This indemnity shall survive the termination of the Purchase Order. If Seller provides services to Buyer on Buyer's premises, Seller will examine the premises to determine whether they are safe for such services and will advise Buyer promptly of any situation it deems to be unsafe.

25) INSOLVENCY: Buyer may immediately terminate the Purchase Order without liability to Seller in the event of the happening of any of the following or any other comparable event: (a) insolvency; (b) filing of voluntary petition in bankruptcy by Seller; (c) filing of any involuntary petition in bankruptcy against Seller; (d) appointment of a receiver or trustee for Seller; or (e) execution of an assignment for the benefit of creditors by seller, provided that such involuntary petition, appointment or assignment is not vacated or nullified within fifteen (15) days of such event.

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

27) TERMINATION: In addition to any other rights of Buyer to cancel or terminate this Purchase Order, Buyer may at its option immediately terminate any part of this Purchase Order at any reason, by giving written notice to Seller notwithstanding the existence of an excusable delay under paragraph 10. Upon such termination, Buyer shall pay Seller for the following amounts without duplication: (a) the Purchase Order price for all Goods or services which have been completed in accordance with this Purchase Order and not previously paid for and, (b) the actual cost of work-in-process and raw materials incurred by Seller in furnishing the Goods or services 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, less, however, the reasonable value or cost (whichever is higher) of any Goods or material used or sold by Seller with Buyer's written consent and the cost of any damaged or destroyed Goods or material. Buyer will make no payment for furnished Goods, work-in-process or raw materials fabricated or produced by Seller in amounts in excess of those authorized in delivery releases nor for any undelivered Goods which are in Seller's standard stock or which are readily marketable. Payments made under this Paragraph shall not exceed the aggregate price payable by Buyer for furnished Goods which would be produced by Seller under delivery releases schedules outstanding at the date of termination. EXCEPT AS PROVIDED IN THIS PARAGRAPH, BUYER SHALL NOT BE LIABLE FOR AND SHALL NOT BE REQUIRED TO MAKE PAYMENTS TO SELLER, DIRECTLY OR ON ACCOUNT OF CLAIMS BY SELLER'S SUBCONTRACTORS, FOR LOSS OF ANTICIPATED PROFIT, UNABSORBED OVERHEAD, INTEREST ON CLAIMS, PRODUCT DEVELOPMENT AND ENGINEERING COSTS, FACILITIES AND EQUIPMENT REARRANGEMENT COSTS OR RENTAL, UNAMORTIZED DEPRECIATION COSTS AND GENERAL ADMINISTRATION BURDEN CHARGES FROM TERMINATION OF THIS PURCHASE ORDER. BUYER SHALL HAVE NO OBLIGATION OR LIABILITY FOR DAMAGES IN EXCESS OF THESE ENUMERATED COSTS NOR FOR PAYMENT OF INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR NON-ECONOMIC DAMAGES. Within sixty (60) days from the effective date of termination, Seller shall submit a comprehensive termination claim to Buyer with sufficient supporting data to permit Buyer's audit, and shall thereafter promptly furnish such supplemental and supporting information as Buyer shall request. Buyer, or its agents, shall have the right to audit and examine all books, records, facilities, work

material, inventories, and other items relating to any termination claim of Seller. Buyer shall have no obligation to Seller if Buyer terminates its purchase obligations because of default by Seller.

28) INTELLECTUAL PROPERTY: Seller agrees: (a) to defend, hold harmless, and indemnify Buyer, its successors, and customers against all claims, demands, losses, suits, damages, liability, and expenses (including reasonable attorney fees) arising out of any suit, claim or action for actual or alleged misuse or misappropriation of trade secrets resulting directly or indirectly from Seller's actions or for infringement of any present or future patent, copyright, industrial design right, or other proprietary right that results from Seller's activities under the Purchase Order or Seller's manufacture, sale or use of the Goods (i) alone, or (ii) in combination by reason of their content, design, or structure, or (iii) in combination in accordance with Seller's recommendations. Seller's obligations shall apply even though Buyer furnishes all or any portion of the design and specifies all or any portion of the processing: (b) to waive any claim against Buyer under the Uniform commercial Code or otherwise, including any hold harmless or similar claim, in any way related to a claim asserted against Seller or Buyer for patent, trademark, copyright or mask work right infringement or the like, including claims arising out of compliance with specifications furnished by Buyer; and (c) to grant Buyer a worldwide, nonexclusive, royalty free, irrevocable license, with a right of sublicense, to build, repair, reconstruct and otherwise use, or to have other do so, the Goods purchased under the Purchase Order. Seller assigns to Buyer all right, title and interest in and to all right in any material, information, idea, design, technology or property of whatever kind created, developed or invented for Buyer under this Purchase Order.

29) TECHNICAL INFORMATION AND INVENTIONS: Seller shall, upon request of Buyer, share all information and data acquired or developed by Seller concerning the Goods and services specified in this Purchase Order. Such information and data furnished to Buyer is disclosed on a non-confidential basis, and Seller agrees not to assert any claim against Buyer with respect to such information. However, Seller agrees to retain the confidential nature of such information and data during the term of this Purchase Order and for a period of two years and shall not disclose it to others nor use it on behalf of others. All technical information disclosed by Buyer to Seller shall be AS IS without warranty express or implied. All engineering drawings Seller is required to prepare shall belong to Buyer and shall be furnished to Buyer in conformity with buyer's requirements. Seller hereby assigns, transfers and conveys to Buyer, its successors and assigns all of its rights, title and interest, domestic and foreign, and including, but not limited to, any and all patent, trademark, copyright, trade secret, mask work rights and other intellectual property rights, whether choate or inchoate, in and to all works of authorship, methods, inventions, discoveries, developments, improvements, ideas and innovations, whether patentable or not, conceived, written, designed, developed, invented, derived, made or otherwise produced by Seller during the term of this Purchase Order and related to the Goods or services specified herein, including but not limited to the right of Buyer, its successors and assigns to make applications and to obtain patent rights and to obtain registrations for any trademarks and copyrights, both in the United States and in any and all foreign countries in its own name, or in the Seller's name, at its election. Seller agrees to execute any and all papers and perform any and all acts which Buyer, its successors or assigns may deem necessary to secure or perfect the rights herein assigned or requested by Buyer. Seller has not and shall not grant any rights inconsistent with the rights granted herein.

30) INSURANCE: Seller shall maintain insurance coverage in amounts not less than the following: (a) Worker's Compensation – statutory limits for the state or states in which this Purchase Order is to be performed for evidence of authority to self-insure; (b) Employer's Liability - \$250,000; (c) comprehensive General Liability (including Products Completed Operations and Blanket Contractual Liability) - \$1,000,000 per occurrence Personal Injury and Property Damage combined single limit. At Buyer's request, Seller shall furnish Buyer with certificates of insurance setting forth the amount(s) of expiration for insurance maintained by Seller and, if further requested by Buyer, such certificates will provide that Buyer shall receive thirty (30) days written prior notification from the insurer of any termination or reduction in the amount of scope of the coverages. Seller's purchase of appropriate insurance coverage or the furnishing of certificates or insurance shall not release Seller of its obligations or liabilities under this Purchase Order. In the event of Seller's breach of this provision, Buyer shall have the right to cancel the undelivered portion of any Goods or services covered by this Purchase Order and shall not be

required to make further payments, except for conforming Goods delivered or services rendered prior to cancellation. At Buyer's request, Seller shall add Buyer as an additional insured to all requested insurance policies of the Seller.

31) TOOLS: Unless otherwise agreed to by Buyer, Seller at its own expense shall furnish, keep in good condition, and replace when necessary, all tools, jigs, dies, gauges, fixtures, molds, and patterns ("Tools") necessary for the production of the Goods. The cost of changes to the Tools necessary to make design and specification changes authorized by Buyer shall be paid for by Buyer. Seller shall insure the Tools with full fire and extended coverage insurance for the replacement value thereof. Seller grants Buyer an irrevocable option to take possession of and title to the Tools that are special for the production of the Goods upon payment to Seller of the book value thereof, less any amount which Buyer had previously paid to Seller for the cost of such Tools, provided, however, that this Purchase Order shall not apply if such tools are 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. Tools and other items provided to Seller shall be utilized by Seller or its suppliers solely for production of Goods for Buyer. All right, title and interest in and to any part of the Tools shall pass to Buyer as soon as the Tools are acquired or fabricated in accordance with any Purchase Order for the Tools, and Buyer shall be entitled to immediate possession of such tools when a request is made to the Seller. While in its possession, Seller, at Seller's expense, shall maintain the Tools in first class condition and immediately replace any items which are lost or destroyed or become worn out. All repaired or replaced Tools shall be the property of Buyer to the extent the original Tool was owned by Buyer. Wear and repair of the Tools is Seller's responsibility. Seller shall not allow or impose any liens or encumbrances upon any Tools manufactured for Buyer or used in the production of the Goods, unless such Tools are used to produce Goods that are standard stock of Seller.

32) BAILED PROPERTY: All supplies, materials, Tools, equipment and other items furnished by Buyer, either directly or indirectly, to Seller to perform this Purchase Order, or for which Seller has been reimbursed by Buyer, shall belong to Buyer, and Seller shall bear the risk of loss of and damage to Buyer's property. Buyer's property shall: (a) at all times be properly housed and maintained by Seller, (b) shall not be used by Seller for any purpose of then the performance of this Purchase Order, (c) shall be deemed to be personally, (d) shall be conspicuously marked "Property of Globe Tech Manufactured Products LLC" by Seller, (e) shall not be commingled with property of Seller or with that of any third person, (f) shall be insured by Seller against loss or damage for its full replacement value, and (g) shall not be moved from Seller's premises without Buyer's prior written approval. Seller shall pay all applicable taxes related to such property of the Buyer, including Tools, maintained by Seller. Upon the request of Buyer, such property shall be immediately released to Buyer or delivered to Buyer by Seller properly packaged and marked in accordance with the requirements of the carrier selected by Buyer to transport such property either, at Buyer's sole option, F.O.B. carrier at Seller's plant or to any location designated by Buyer, in which event Buyer shall pay to Seller the reasonable cost of such property to such location. Buyer shall have the right to enter onto Seller's premises at all reasonable times to inspect such property and Seller's records with respect thereto. Where permitted by law, Seller waives any lien which Seller might otherwise have on any of Buyer's property for work done there or otherwise. Seller will assign to Buyer any claims Seller has against third parties with respect to Buyer's property.

33) REMEDIES: The rights and remedies reserved to Buyer in this Purchase Order shall be cumulative and additional to all other of further remedies provided in law or equity.

34) INTERNAL SALES AND EXPORT/IMPORT: For each international shipment, Seller shall be solely responsible for complying with customs invoicing and documentation requirements of the destination country, and it shall be Seller's responsibility to ensure that Goods are packaged and marked in accordance with laws of the destination country. Seller will include a priced invoice (if required) with the master packing slip and upon request, will furnish all other documentation required for export from Seller's country or import into Buyer's country. Seller shall obtain any necessary export or import licenses. The cost of all duties, taxes and costs shall be included in the purchase price and paid by Seller. Any and all benefits or credits resulting from a Purchase Order with Buyer, including, but not limited to trade credits, export credits, custom drawbacks, rebate of taxes, fees, etc., belong to Buyer (including rights

developed by substitution and rights which may be acquired from Seller's suppliers) (unless otherwise stated on a Purchase Order or a country's practice is to let credits remain with Seller). Seller upon request will furnish all documents required to obtain the foregoing benefits and credits and will identify the country or origin of the materials used in the Goods and the value added thereto in each country. Additional customs information is available upon request for Buyer's custom department. The purchase price appearing on the reverse side of this Purchase Order is stated in terms of U.S. dollars, and Buyer shall make payment of the purchase price with U.S. currency.

35) SETOFF: In addition to any right of setoff provided by law, all amounts due Seller shall be considered net of indebtedness, debits, credits or claims which arise between Seller and Buyer and its subsidiaries irrespective of the specific purchase order, and Buyer shall be entitled to set-off and deduct any amount due or to become due from Seller to Buyer and its subsidiaries from any sums due or to become due to Seller.

36) ADVERTISING: Seller shall not, without first obtaining the written consent of Buyer, in any manner advertise or publish the fact that Seller has contracted to furnish Buyer the Goods or services herein ordered or use any trademarks or trade names of Buyer in Seller's advertising promotional materials. In the event of Seller's breach of this provision, Buyer shall have the right to cancel the undelivered portion of any Goods or services covered by this Purchase Order and shall not be required to make further payments except for conforming Goods delivered or services rendered prior to cancellation.

37) GOVERNMENT COMPLIANCE: Seller agrees to comply with all federal, state and local laws, executive orders, rules, regulations, and ordinances which may be applicable to Seller's performance of its obligations under this Purchase Order.

38) EQUAL OPPORTUNITY: This Purchase Order incorporates by reference: (a) all provisions 41C.F.R.60-1.4 as amended, pertaining to the equal opportunity clause in government contracts; (b) all provisions of 41C.F.R. 60-250, as amended pertaining to affirmative action for disabled veterans of the Vietnam Era; and (c) all provisions of 41C.F.R.60-741 as amended pertaining to affirmative actions for affirmative action for handicapped workers. Seller certifies that it is in compliance with all applicable provisions of 41 C.F.R. 60-1, including but not limited to: (a) developing and presently having in force and effect a written affirmative action compliance program for each of its establishments as required by 41-C.F.F. 60-1.40, as amended, (b) filing EEO-1 Reports as required by 41C.F.R.60-1.7, as amended, and (c) neither maintaining segregated facilities nor permitting its employees to perform services at segregated facilities as prohibited by 41C.F.R.60-1.8 as amended. Buyer requests that Seller adopt and implement a policy to extend employment opportunities to qualified applicants and employees on an equal basis regardless of an individual's age, race, color, sex, religion, or national origin.

39) NO IMPLIED WAIVER: The failure of either party at any time to require performance by the other party of any provision of this Purchase Order shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver of either party of a breach of any provision of this Purchase Order constitute a waiver of any succeeded breach of the same or any other provision.

40) NON-ASSIGNMENT: Seller may not assign or delegate in whole or in part its obligations under this Purchase Order without Buyer's prior written consent.

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

42) SELLER'S RECORDS & AUDIT: Unless otherwise specified on the Purchase Order, Seller shall maintain for a period of 15 years after the termination of this Purchase Order its financial, quality, production and all other written records concerning the Goods and this Purchase Order, and Seller shall

permit the Buyer, or its agents, during normal business hours to inspect and audit such records of Seller. The Seller shall advise the Buyer in advance of any intended disposition of such records. The Seller is responsible for ensuring sub-suppliers comply with this requirement. The Seller shall have a documented procedure or workflow which describes how records are controlled including retention, security, and disposition.

43) **GOVERNING LAW:** This Purchase Order is to be construed according to the laws of the State of Michigan, including without limitation the provisions of the Michigan Uniform Commercial Code, as may be amended. Michigan shall be the exclusive jurisdiction for all claims, disputes or proceedings related to this Agreement. The United Nations Convention for the International Sale of Goods shall not apply.

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

45) **PERFORMANCE MONITORING:** The Buyer will score the Seller based on Quality, Delivery, and/or Service. The Seller will be continuously monitored and reported at a defined frequency by the Buyer using a supplier scorecard. The Seller will be issued corrective actions as warranted. The Seller that fail to perform corrective actions outcomes may receive further Corrective Actions and may be considered for probation or removal from the Buyer's Approved Suppliers List. The Seller shall also have a documented procedure or workflow which describes how it monitors its sub-suppliers performance.

46) **PERSONNEL CONTRIBUTION & ETHICAL BEHAVIOR:** The Seller shall be committed to the highest standards of ethics and business conduct. The Seller must comply with the law, honor commitments, act in good faith, and be accountable. The Seller must strive to maintain full compliance with all laws and regulations applicable to the operation of the business and customer relationships. The Seller must ensure that their personnel are aware of their contributions to product conformity and product safety as well as the importance of ethical behavior.