

MULTIMATIC
PURCHASE ORDER TERMS AND CONDITIONS
(Revision 3.0)

Effective Date: July 1, 2023

1. OFFER AND ACCEPTANCE; TERMS OF ORDER

- (a) Each purchase order and purchase order revision (“this Order”) issued by Buyer is an offer to Seller for the purchase of goods and/or services, and includes and is governed by the express terms contained on the face of this Order, these purchase order terms and conditions, the terms contained in any addendum or supplement to this Order issued by Buyer and accepted by Seller (whether such acceptance is in accordance with the following or otherwise), the current edition of the supplier manual provided or made available by Buyer to Seller, and any other documents incorporated by reference in this Order or in these purchase order terms and conditions (collectively, the “Terms”). Any acceptance of this Order by Seller, including by Seller’s (i) written acceptance (whether or not this Order is signed); (ii) failure to object to this Order in writing within five (5) days of receipt of this Order; (iii) commencement of work on the goods subject to this Order (the “Goods”) or shipment of the Goods, whichever occurs first; (iv) performance of all or any portion of the services subject to this Order (the “Services”); or (v) any other conduct that indicates Seller’s acceptance, including preparation for Seller’s performance, shall constitute an acceptance of Buyer’s offer as reflected in this Order and includes the Terms. Any acceptance of this Order is limited to and conditional upon Seller’s acceptance of the Terms. Any objection or proposal for additional or different terms or any attempt by Seller to vary this Order, whether in Seller’s quotation form, acknowledgement form, invoice, correspondence or otherwise, shall be deemed material and is hereby rejected by Buyer, but any such objection, proposal or attempted variance shall not operate as a rejection of this Order if Seller accepts Buyer’s offer by commencement of work, shipment of the Goods or performance of the Services, or by other means acceptable to Buyer, in which case this Order shall be deemed accepted by Seller without any additional or different terms or variations whatsoever. This Order does not constitute an acceptance of any prior offer or proposal by Seller, and any reference in this Order to any such prior offer or proposal (including any quotation issued by Seller whether or not such quotation purports to contain Seller’s terms of sale, if any) is solely to incorporate the description or specifications of the Goods and/or Services contained in such offer or proposal, but only to the extent that such description or specifications are not directly in conflict with the description and specifications contained in this Order. If this Order is found to be an acceptance of any prior offer or proposal by Seller, such acceptance shall be limited to the Terms. Any additional or different terms in such prior offer or proposal shall be deemed material and are hereby rejected by Buyer. Buyer may cancel all or any part of this Order at any time prior to Buyer’s actual knowledge of acceptance by Seller.
- (b) This Order contains the entire agreement between Buyer and Seller and, except as otherwise expressly stated in this Order, supersedes all prior agreements, orders, quotations, proposals and other communications relating to the subject matter hereof, and there are no other understandings or agreements, verbal or otherwise, in relation hereto that exist between Buyer and Seller.
- (c) In the event of any conflict or inconsistency between the express terms contained on the face of this Order and these purchase order terms and conditions, the express terms on the face of this Order shall govern, subject to Buyer’s termination rights under these purchase order terms and conditions.

2. CUSTOMER REQUIREMENTS

- (a) Seller acknowledges that the Goods and/or Services under this Order may be sold or incorporated into products or services that may be sold by Buyer to an original equipment manufacturer of vehicles, whether directly or indirectly through an upper tier supplier or any other third party customer (collectively, the “Customer”). In such case, Seller shall take such steps, provide such disclosures, comply with such requirements and do all other things as Buyer deems necessary or desirable and within Seller’s control to enable Buyer to meet Buyer’s obligations under the terms and conditions of any contract, purchase order or other document (the “Customer Terms”) that may be applicable to Buyer from time to time in respect of its direct or indirect supply of such products or services to the Customer, including: delivery, quality, packaging and labeling requirements; warranties and warranty periods; intellectual property rights and indemnification; confidentiality; access to facilities and records; replacement and service parts; cyber and information security; code of conduct; and environmental, sustainability and/or governance initiatives. Buyer may, from time to time, provide Seller with information regarding the applicable Customer Terms, but, in any event, Seller shall be responsible for ascertaining the Customer Terms that may affect Seller’s obligations hereunder.

- (b) If there is any conflict or inconsistency between the provisions of the Customer Terms and any provision of this Order, Buyer shall have the right to have the provisions of the Customer Terms prevail to the extent necessary or desirable to resolve such conflict or inconsistency.
- (c) In addition to any other rights or remedies provided for in this Order, if the Customer directed, recommended or requested that Seller be the source from whom Buyer is to obtain the Goods and/or Services: (i) Buyer reserves the absolute right to pay Seller for the Goods and/or Services only after and to the extent of, and in proportion to, Buyer's actual receipt of payment from the Customer for those products or services into which the Goods and/or Services are incorporated; (ii) any lengthening of the Customer's payment terms to Buyer for those products or services into which the Goods and/or Services are incorporated shall, at Buyer's option, automatically lengthen the payment terms as between Buyer and Seller by the same amount of time; and (iii) any Customer-imposed reduction in the prices paid to Buyer by the Customer for products or services incorporating the Goods and/or Services shall automatically reduce the prices paid by Buyer to Seller for the Goods and/or Services by the same percentage.

3. TIME PERIOD OF ORDER

- (a) Subject to Buyer's termination rights set forth herein, if an expiration date, termination date or time period (including time periods for pricing or pricing changes applicable to individual Goods and/or Services) is specified in this Order, this Order is binding on Buyer and Seller until such expiration date, termination date or the end of such time period (or the last such time period in the case of multiple periods). The foregoing shall also apply in the event that this Order is characterized as a "blanket order" or is otherwise intended to apply to recurring purchases of the Goods and/or Services by Buyer from Seller.
- (b) Where no expiration date, termination date or time period is specified in this Order, this Order shall, subject to Buyer's termination rights set forth herein: (i) be binding on Buyer and Seller for one (1) year from the date of this Order as set out on the face hereof (or if no date is so set out, from the date this Order is transmitted to Seller); and (ii) automatically renew for successive one (1) year periods after the initial term, unless Seller provides written notice to Buyer, no less than one hundred and eighty (180) days prior to the end of the then current term, of Seller's desire that this Order not be renewed; provided that Buyer may extend the term of this Order for such period of time beyond the initial or then current term as Buyer determines is necessary, acting reasonably, to procure an alternate source of supply for the Goods and/or Services that is acceptable to Buyer, at comparable terms (including price, technology, quality, delivery, performance and service) and to ensure an orderly transition of supply.
- (c) Notwithstanding the foregoing and subject to Buyer's termination rights set forth herein, where the Goods and/or Services are directly or indirectly sold or incorporated into products or services sold by Buyer for use in a Customer vehicle production program (or programs), this Order is binding on Buyer and Seller for the duration of such vehicle production program (or programs); provided, however, that Seller's obligation with respect to service and replacement parts as set forth in this Order shall survive the termination or expiration of this Order. Seller acknowledges and assumes the risk of the vehicle production program (or programs) being cancelled, extended, or otherwise modified by the Customer from time to time.

4. LABELING, PACKING AND SHIPMENT

- (a) The Goods are to be suitably prepared for shipment and must be labeled, packed and shipped in accordance with Buyer's specifications. If Buyer fails to provide such specifications, the Goods must be prepared, labeled, packed and shipped in a commercially sound and reasonable manner, which will ensure timely, safe and conforming delivery at the lowest transportation costs. If the Goods are not shipped in accordance with Buyer's specifications or, if otherwise applicable, in a commercially sound and reasonable manner, Seller shall pay or reimburse Buyer for any excess costs occasioned thereby.
- (b) Unless otherwise expressly stated in this Order, Seller shall not charge Buyer for shipment preparation, labeling, packing, boxing, crating or shipping.
- (c) Seller shall package, label and transport the Goods and their containers, in particular those which constitute a safety, health, poison, fire, explosion, environmental, transportation or other hazard, in compliance with all applicable Laws in effect in the place to which the Goods are shipped or as otherwise specified by Buyer. Upon request, Seller shall furnish Buyer with information regarding the ingredients of the Goods. In the case of delivery of hazardous materials, Seller shall furnish Buyer with sufficient notice and warning (including product and warning labels), together with applicable handling, storage, use and disposal instructions.

5. DELIVERY AND PRODUCTION VOLUMES

- (a) Time is of the essence of this Order. Seller shall deliver the Goods and/or perform the Services in strict accordance with this Order, in the quantities and on the delivery dates and times and Incoterms specified in this Order or, if not so specified, in such quantities and on such dates and times and Incoterms as specified in Buyer's releases, shipping authorizations or other directions or instructions issued or transmitted with respect to this Order. Seller shall immediately notify Buyer in writing if Seller is unable to deliver and/or perform in the quantities and on the delivery dates and times so specified. Goods delivered in excess of the quantities or in advance of delivery dates or times so specified shall be at Seller's risk and may be returned to Seller by Buyer, and all transportation charges both to and from the original destination shall be paid by Seller. Buyer shall not be required to make payment for any Goods delivered to Buyer and/or Services performed for Buyer that are in excess of the quantities specified. Unless otherwise expressly stated in this Order or authorized in writing by Buyer, Seller shall not make any commitments for tooling, raw materials or other inventory or manufacture any Goods or perform any Services in advance of the time necessary to permit shipments and/or performance on the specified delivery date(s). Buyer may, on notice to Seller, change the date(s)/time(s) of scheduled shipments and/or performance or direct temporary suspension of scheduled shipments and/or performance (including as a result of changes to the Customer's production schedules), neither of which shall entitle Seller to a modification of the price of the Goods and/or Services covered by this Order or to otherwise claim against Buyer for any additional costs resulting therefrom (unless expressly agreed by Buyer to the contrary).
- (b) If, on the face of this Order, quantities for the Goods and/or Services are either not specified or specified as "blanket", "recurring", "as released", "as scheduled", "as directed", "as instructed", "subject to Buyer's production releases" or in some other similar fashion, then, in consideration of the sum of ten U.S. dollars (U.S.\$10.00), the payment of which shall be made by Buyer upon the termination or non-renewal of this Order, Seller hereby grants to Buyer an irrevocable option during the term of this Order to purchase the Goods and/or Services in such quantities and on such delivery dates and times as indicated in Buyer's releases, shipping authorizations or other directions or instructions issued or transmitted with respect to this Order (each a "Release"), and Seller shall deliver such quantities, on such dates and times, at the price and on the other terms specified in this Order; provided that Buyer shall purchase no less than one piece or unit of each of the Goods and/or Services and no more than one hundred percent (100%) of Buyer's requirements for the Goods and/or Services, as applicable. All references herein to "this Order" shall include all Releases, if any, issued or transmitted from time to time by Buyer to Seller with respect thereto.
- (c) Seller warrants that any representation made in a quotation or otherwise regarding its production capacity and/or capability of performance shall be considered a warranty that Seller can manufacture or produce and supply the stated quantity of the Goods and/or Services without the imposition of overtime charges or other surcharges. Seller acknowledges that any estimates or forecasts of production volumes, requirements or length of program, whether from Buyer or the Customer, are subject to change from time to time, with or without notice to Seller, and shall not be binding upon Buyer. Unless otherwise expressly stated in this Order, Buyer makes no representation, warranty, guarantee or commitment of any kind or nature, whether express or implied, to Seller in respect of Buyer's quantitative requirements for the Goods and/or Services or the term of supply of the Goods and/or Services.
- (d) Unless otherwise expressly stated in this Order, Buyer shall not be required to purchase the Goods and/or Services exclusively from Seller.

6. DELAYS IN DELIVERY OR ACCEPTANCE

- (a) Other than by reason of an excusable delay (as defined in subparagraph 6(b)), if Seller fails or refuses to proceed with this Order or fails to deliver the Goods and/or perform the Services within the delivery date(s) and time(s) specified in this Order (in any such case, a "delay"), Buyer may, without liability to Seller and without limiting or affecting Buyer's other rights or remedies available hereunder or at law: (i) cancel the then remaining balance of this Order; or (ii) direct expedited shipment and/or incur premium freight or special transportation costs, and Seller shall pay, upon demand, all excess costs incurred thereby, including additional handling charges and other expenses (whether related or not) resulting therefrom. Seller shall be responsible for all other direct, consequential and incidental damages incurred by Buyer as a result of a delay, other than by reason of an excusable delay, including the cost of any line shutdown(s) and the cost of obtaining the Goods and/or Services from alternate sources. Buyer's actions in obtaining substitute or replacement Goods and/or Services shall not limit Buyer's rights and remedies available hereunder or at law.

- (b) The term “excusable delay” means any delay in making or accepting deliveries or performance which results without fault or negligence on the part of the party involved and which is due to causes or events beyond its reasonable control, such as acts of God or of a public enemy, any preference, priority or allocation order issued by government or any other act of government, fires, floods, epidemics, pandemics, quarantine restrictions, freight embargoes, unusually severe weather, explosions, riots, war, terrorism, acts of the other party and delays of a subcontractor or supplier due to such causes. The term “excusable delay” shall not, however, mean or include any delay arising from or as a result of: (i) Seller’s financial difficulties; (ii) a change in cost or availability of materials or components based on market conditions or supplier actions affecting Seller or any of its subcontractors or suppliers; (iii) any labor strike or other labor disruption applicable to Seller or to any of its subcontractors or suppliers that are engaged in manufacturing or providing goods or services to Seller in connection with Seller’s obligations under this Order; or (iv) any other supply chain disruption not expressly listed herein.
- (c) An excusable delay shall not constitute a default hereunder, provided that if Seller is subject to one or more excusable delays that persist for more than thirty (30) days in the aggregate, Buyer may, in its sole discretion, cancel the then remaining balance of this Order, without liability to Seller and without limiting or affecting Buyer’s other rights or remedies available hereunder or at law.
- (d) Seller, at its expense (including responsibility for carrying costs and any additional costs of manufacture, storage and the like) shall use its best efforts to mitigate any adverse effects or costs to Buyer due to any actual or potential delay, including: (i) the implementation of a production and/or performance contingency plan; and (ii) upon Buyer’s express written authorization, increasing Seller’s inventory of finished Goods to a level sufficient to sustain deliveries during such delay. Prior to the expiration of any labor contract or collective agreement applicable to Seller, Seller, at its expense, shall fabricate and store in a warehouse located in an area that will not be affected by any labor dispute between Seller and its employees, sufficient finished goods inventory of the Products to cover at least sixty (60) days of Buyer’s production requirements for the Products.
- (e) Immediately upon the date Seller first knew, or should have known, of the circumstances giving rise to any actual or potential delay which threatens to affect deliveries or Seller’s performance under this Order, Seller shall give written notice thereof to Buyer, requesting a schedule adjustment. Such notice shall include complete details supporting the request, including the anticipated duration and impact of such delay, and all reasonable alternative courses of action available to Seller. Seller’s failure to provide timely and complete notice shall allow Buyer to refuse to make a schedule adjustment. In addition, Seller shall notify Buyer in writing: (i) at least sixty (60) days prior to the expiration of any labor contract or collective agreement; and (ii) as soon as Seller becomes aware of any actual or threatened labor strike or other labor disruption, in each case, as may be applicable to Seller or to any of its subcontractors or suppliers that are engaged in manufacturing or providing goods or services to Seller in connection with Seller’s obligations under this Order.
- (f) Buyer may delay acceptance of delivery of the Goods and/or performance of the Services by reason of an excusable delay, in which case Seller shall hold the Goods and/or delay performance of the Services, at Buyer’s direction, until the cause of the excusable delay has been removed.
- (g) If, under the express terms of this Order, Buyer grants Seller exclusive or “single source” rights to supply the Goods and/or Services to Buyer, such rights shall not restrict Buyer’s right to procure substitute or replacement Goods and/or Services for the duration of any delay (whether or not by reason of an excusable delay) and for a reasonable period thereafter, without liability to Seller.
- (h) Without limiting Seller’s obligations hereunder, in the event of any supply allocation by Seller, including as a result of an excusable delay, Seller shall give preference to Buyer for all of the Goods and/or Services ordered under this Order.

7. TRANSPORTATION CHARGES, CUSTOMS DUTIES AND TAXES

- (a) Unless otherwise expressly stated in this Order, all Goods and/or Services shall be delivered by Seller “DDP - Buyer’s plant” (as defined in Incoterms 2020), in which case: (i) all transportation charges (including terminal switching charges) and, where applicable, customs clearance shall be at Seller’s expense; and (ii) Buyer shall not be liable for any insurance, storage, parking or detention charges.
- (b) Unless otherwise expressly stated in this Order, prices include customs duties and expenses, tariffs and all federal, provincial, state and local taxes (including all export taxes, import taxes, excise taxes, sales taxes and value added or similar “turnover” taxes) applicable to the manufacture, sale or provision of the Goods

and/or Services. Where Seller is legally required to pay or collect any sales, value added or similar turnover taxes from Buyer, such taxes shall be itemized and/or invoiced separately.

- (c) Any reduction in Seller's costs resulting from a reduction in transportation charges, customs duties, export taxes, import taxes, excise taxes, sales taxes and/or value added taxes from those in effect on the date of this Order shall be paid to Buyer by Seller as a reduction of the price of the Goods and/or Services.

8. CUSTOMS DRAWBACK DOCUMENTS AND EXPORT CONTROLS

- (a) Unless otherwise expressly stated in this Order, all customs drawback (including transferable credits or benefits associated with the Goods and/or Services purchased, such as trade credits, export credits or rights to the refund of duties, taxes or other applicable fees) shall be reserved and retained for, or credited to, Buyer. Upon request, Seller shall promptly furnish to Buyer all documents and other information required for customs drawback purposes, properly completed in accordance with applicable governmental regulations.
- (b) Export licenses or authorizations necessary for the export of the Goods and/or Services shall be the responsibility of Seller unless otherwise expressly stated in this Order, in which case Seller shall provide such information as may be necessary to enable Buyer to obtain such licenses or authorizations. Seller shall, upon Buyer's request, undertake such arrangements as necessary for the Goods and/or Services to be covered by any trade preference, duty deferral or free trade zone programs of the country of import.
- (c) Seller agrees to comply with all applicable customs (including C-TPAT), export control, anti-boycott and sanctions laws and regulations of the United States of America, Canada, Mexico, United Kingdom, the member States of the European Union and any other applicable country (the "Export Control Laws"). Seller will not violate, and will not cause Buyer to violate, any Export Control Laws (for example, by transshipping goods through, or supplying goods or services from, sanctioned countries), and will indemnify and hold Buyer harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind (including legal and other professional fees) arising from or relating to Seller's non-compliance with the foregoing.

9. CERTIFICATES OF ORIGIN

Upon request, Seller shall promptly 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 Goods and/or Services and the components, materials and ingredients contained therein or used in the performance thereof, as may be required to comply with all customs, tariff, labeling (including hazardous materials instructions) and other applicable governmental regulations, including those that enable Buyer to claim preferential duty treatment at the time of entry of the Goods. Seller shall certify that the Goods and/or Services qualify for USMCA, CETA or other trade agreement (present or future) purposes, if applicable, and shall cooperate and provide reasonable support and assistance in customs and tariff investigations. Seller shall indemnify and hold Buyer, its subsidiaries and affiliates, their respective successors, assigns, representatives, employees and agents, and the Customer, harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind (including fines and penalties and legal and other professional fees) arising from or relating to: (i) Seller's delay in furnishing such certificates or other information to Buyer; (ii) any errors or omissions contained in such certificates; and (iii) any non-compliance by Seller with such regulations.

10. PAYMENT

- (a) Except as otherwise expressly stated in this Order, and subject to subparagraph 3(c) and paragraph 11, Buyer shall pay net invoices (subject to applicable withholding taxes, if any) by the later of: (i) sixty (60) days after the end of the month during which the Goods were delivered and/or Services performed, as the case may be; or (ii) sixty (60) days after the invoice date. In the event of late payment by Buyer, Seller shall not be entitled to any lien or retention of title against the Goods and/or Services or to claim any set-off against amounts due or which may become due to Seller from Buyer or its subsidiaries or affiliates. In order to be payable, invoices must be correct and complete, with appropriate supporting documentation and other information reasonably required by Buyer.
- (b) Notwithstanding the foregoing and except as otherwise expressly stated in this Order, where Buyer is entitled to receive payment or reimbursement from the Customer for the Goods and/or Services to be provided by Seller to Buyer under this Order that constitute Tooling (as such term is defined in subparagraph 17(b)), Seller shall be entitled to receive payment under this Order for such Tooling only after and to the extent of, and in proportion to, Buyer's actual receipt of such payment or reimbursement from the Customer.

11. DEDUCTION, SET-OFF, RECOUPMENT

- (a) In addition to any right of deduction, set-off or recoupment provided by law, all amounts due or to become due to Seller from Buyer (including any applicable value added or similar “turnover” tax payable) shall be considered net of indebtedness or obligations of Seller to Buyer, and Buyer may deduct, set-off or recoup any such indebtedness or obligations from and against any amounts due or to become due to Seller from Buyer (including any applicable value added or similar turnover taxes payable) and however and whenever arising. Buyer may do so without notice to Seller. If any indebtedness or obligations of Seller to Buyer are disputed, contingent or unliquidated, Buyer may defer payment of amounts due or to become due to Seller from Buyer until such indebtedness and/or obligations are resolved.
- (b) In the event of any insolvency or financial distress of Seller or for any other reason(s) giving rise to Seller’s inability (or, in Buyer’s opinion, potential inability) to perform its obligations under this Order, if Buyer retains legal counsel, accountants or other third party advisors to provide services related to Buyer’s business relationship with Seller, Buyer shall have the right to fully recover its out of pocket fees and costs related to such legal, accounting or other third party services, and to specifically deduct, set-off or recoup such fees and costs from amounts due or to become due to Seller from Buyer.
- (c) For purposes of this paragraph 11, the terms “Buyer” and “Seller” shall mean and include each of Buyer and Seller, respectively, and its subsidiaries and affiliates.

12. CHANGES

- (a) Buyer reserves the right to make changes, or to require Seller to make changes, to the design, drawings, materials, specifications, part numbers (or other types of identification), processes, packing and shipping requirements, Tooling (as defined in paragraph 17(b)), date(s)/time(s) or place(s) of delivery or performance, or other provisions of this Order, as well as any subcontractors or suppliers used or intended to be used by Seller. If any such change results in an increase or a decrease in the cost of, or the time required for, manufacturing or delivering the Goods and/or performing the Services, an equitable adjustment may be made in the purchase price or delivery schedule, or both, and this Order shall, subject to the agreement of Buyer and Seller, be modified in writing accordingly. Seller shall promptly assert its claims, if any, under this paragraph 12, but no claim shall be asserted by Seller after thirty (30) days following the notification of the change by Buyer.
- (b) Seller shall not, without Buyer’s prior written authorization, make any changes to designs, drawings, materials, specifications, part numbers (or other types of identification), processes, packing and shipping requirements, Tooling (as defined in paragraph 17(b)), date(s)/time(s) or place(s) of delivery or performance, or other provisions of this Order.

13. PRICE WARRANTIES AND COMPETITIVENESS

- (a) Seller warrants that the prices for the Goods and/or Services are, and shall ensure that such prices remain, no less favourable to Buyer than the prices currently extended to any other customer of Seller for the same or substantially similar goods or services in the same or substantially similar quantities and delivery requirements. If Seller reduces the prices of such same or substantially similar goods or services during the term of this Order, Seller shall reduce the prices of the Goods and/or Services correspondingly.
- (b) Except as otherwise expressly stated in this Order, Seller warrants that the prices for the Goods and/or Services in this Order are complete, and that no surcharges, premiums or other additional charges of any type shall be added, without Buyer’s prior written consent. Seller expressly assumes the risk of any event or cause (whether or not foreseen) affecting such prices, including any foreign exchange rate changes, inflation, increases in cost of raw materials and/or components, freight, labor, MRO (maintenance, repair and operations), utilities and other manufacturing costs, changes in trade agreements, duties or customs tariffs, and other factors whatsoever.
- (c) Seller shall ensure that the Goods and/or Services remain competitive, in terms of price, technology, quality, delivery, performance and service, with the same or substantially similar goods and/or services available to Buyer from other suppliers.

14. WARRANTIES REGARDING GOODS AND SERVICES

- (a) Seller expressly warrants that it has and will apply the necessary knowledge, skill, and expertise to produce the Goods and/or perform the Services, and that the Goods and/or Services, including any special tools, dies, jigs, fixtures, patterns, machinery and equipment that are obtained at Buyer’s expense for the performance of this Order and/or that are or become the property of Buyer (including the Buyer’s Property, as such term is

defined in subparagraph 17(b)) shall: (i) conform to all drawings, specifications, statements of work, samples and other descriptions and performance requirements furnished, specified or adopted by Buyer; (ii) comply with all applicable laws, regulations, rules, codes and standards of the jurisdictions in which the Goods and/or Services, or any products or services incorporating the Goods and/or Services, are to be sold; (iii) be merchantable; (iv) be free from any defects in design, to the extent the design is furnished by Seller or any of its subcontractors or suppliers, even if the design has been reviewed and/or approved by Buyer; (v) be free from any defects in materials and workmanship; (vi) be fit, sufficient and suitable for the particular purpose for which Buyer intends to use the Goods and/or Services; and (vii) be free of all liens, claims, charges and encumbrances whatsoever. For the purposes of clause (vi) above, Seller acknowledges that Seller knows the particular purpose for which Buyer intends to use the Goods and/or Services, and that Buyer may, in the corroboration thereof, rely on any representations or statements regarding fitness, sufficiency, suitability, quality or performance of the Goods and/or Services made or given by Seller or its representatives, employees or agents, and whether orally, in writing or in any of Seller's brochures, catalogues, advertisements, websites or other publications. Seller further expressly warrants that, unless otherwise expressly stated in this Order, the Goods are manufactured entirely with new materials and none of the Goods are, in whole or any part, governmental or commercial surplus or used, remanufactured, reconditioned or of such age or condition so as to impair their fitness, usefulness or safety. The warranties in this subparagraph 14(a) are referred to in this Order as "Seller's Warranties".

- (b) Seller's Warranties are available to, and for the benefit of, Buyer, its subsidiaries and affiliates, their respective successors and assigns, the Customer and users of products or services incorporating the Goods and/or Services. The warranty period shall be that provided by applicable law, except that if Buyer is obligated to provide a longer warranty period to the Customer pursuant to the Customer Terms, such longer period shall apply. Seller's Warranties shall survive the expiration or other termination of this Order, shall be effective even if Buyer accepted all or a portion of the Goods and/or Services, and shall be in addition to all other warranties available under applicable law.
- (c) Seller shall indemnify and hold Buyer, its subsidiaries and affiliates, their respective successors, assigns, representatives, employees and agents, the Customer and users of products or services incorporating the Goods and/or Services, harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind (including consequential and special damages, death, personal injury, property damage, lost profits and other economic losses, recall or other Customer field service action costs, production interruption costs, inspection, handling and reworking charges, court costs, legal and other professional fees, and other costs associated with any indemnified party's administrative time, labor and materials) arising from or relating to: (i) any breach of Seller's Warranties; (ii) any other acts, omissions or negligence of Seller or of any of its subcontractors or suppliers in connection with Seller's performance of its obligations under this Order; and (iii) any unfair competition by reason of the purchase, use or, if applicable, resale of the Goods and/or Services by Buyer. No limitations on Buyer's rights or remedies in any of Seller's documents shall operate to reduce or exclude such indemnification. Seller's obligation to indemnify under this subparagraph 11(c) will apply regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability or otherwise.
- (d) Seller acknowledges that Buyer may defend any claim brought by the Customer that the Goods and/or Services are in breach of Seller's Warranties or are otherwise defective and do not meet the requirements of this Order. Seller agrees that Buyer's actions to defend such claims is in the interest of both Buyer and Seller and may assist in mitigating damages. Consequently, Seller waives the right to argue that Buyer's defense of such claims limit, in any way, Buyer's right to seek indemnity from Seller or to assert a claim against Seller that Seller has breached Seller's Warranties or otherwise failed to meet the requirements of this Order.
- (e) During the duration of this Order, Seller warrants that it will respect the relationship between Buyer and the Customer, and not supply the Goods and/or Services directly to the Customer unless expressly authorized to do so in writing by Buyer.

15. DEFECTIVE OR NON-CONFORMING GOODS OR SERVICES

- (a) If any of the Goods and/or Services fail to meet Seller's Warranties, Seller shall, upon notice thereof from Buyer at any time, at Buyer's option, promptly repair, replace or otherwise satisfactorily deal with the same in a manner acceptable to Buyer (including, if so reasonably required by Buyer, implementing containment, inspection, sorting, rework and/or other quality assurance procedures) all at Seller's expense, and without limiting or affecting Buyer's other rights or remedies available hereunder or at law. Seller's Warranties shall also apply to such repaired, replaced or otherwise satisfactorily dealt with Goods and/or Services. To the

extent required by Buyer, Seller agrees to participate, at its own expense, in any root cause analysis concerning the failure of the Goods and/or Services.

- (b) If Seller fails to repair, replace or otherwise deal with any defective or non-conforming Goods and/or Services in a manner acceptable to Buyer, Buyer may, without liability to Seller and without limiting or affecting Buyer's other rights or remedies available hereunder or at law, cancel this Order as to the particular Goods and/or Services and/or cancel the then remaining balance of this Order.
- (c) After notice to Seller, all defective or non-conforming Goods shall be held at Seller's risk. Buyer may, and at Seller's direction shall, return such defective or non-conforming Goods to Seller at Seller's risk, and Seller shall promptly pay, upon Buyer's demand, all transportation and other applicable charges, both to and from the original destination.
- (d) Any payment made by Buyer for defective or non-conforming Goods and/or Services shall be refunded by Seller, except to the extent that Seller promptly replaces or corrects the same at Seller's expense.
- (e) In no case shall Buyer, its subsidiaries or affiliates, or their respective successors, assigns, representatives, employees, agents or customers, be liable for, or be obligated to indemnify or hold any of Seller, its subsidiaries or affiliates, or their respective successors, assigns, representatives, employees, agents, subcontractors or suppliers, harmless from or against, any liabilities, demands, claims, losses, costs, damages or expenses of any kind or nature (including personal injury, property damage, consequential or special damages) arising from or relating to improper, unsafe or defective materials or workmanship of the Goods and/or Services or other breaches of Seller's Warranties.

16. INSPECTION AND QUALITY CONTROL

- (a) Buyer has the right to inspect the Goods and/or Services, both prior to and after making payment therefor. Seller acknowledges and agrees that Buyer may choose not to perform incoming inspections with respect to the Goods and/or Services, without prejudice to any rights or remedies available to Buyer hereunder or at law, and Seller waives any rights to require Buyer to conduct such inspections.
- (b) Buyer also has the right to inspect or test all materials and workmanship utilized by Seller in the performance of this Order, and Seller shall permit such inspection or testing by Buyer and/or the Customer to the extent practicable at all times and places, including during the period of manufacture. If any such inspection or testing is made on Seller's premises, Seller shall provide, without additional charge, all reasonable facilities and assistance. Inspection and approval at Seller's premises does not preclude rejection or other relief for any defects subsequently discovered. Seller shall provide and maintain, without additional charge, a testing and inspection system (which shall include documented quality control and reliability procedures) acceptable to Buyer covering the materials and workmanship utilized in the performance of this Order. At Buyer's option, Buyer and/or the Customer may from time to time review and inspect Seller's testing, inspection, quality control and reliability processes and procedures, as well as the records and data supporting the same. If any such inspection of materials, workmanship, processes or procedures reveals, in Buyer's reasonable opinion, deficiencies which may affect Seller's performance of this Order, Seller shall, without additional cost to Buyer, take all steps necessary or desirable to ensure proper and timely performance.
- (c) Seller shall comply with Buyer's most recently adopted quality control specifications, inspection standards and quality assurance manuals as may be supplied by Buyer to Seller directly, or as may be posted on Buyer's Website (as defined in subparagraph 30(a)) from time to time. Seller shall, if requested by Buyer, furnish certificates indicating such compliance. To the extent directed by Buyer, Seller shall also comply with any quality control standards and inspection systems, as well as related standards, policies and systems, as established or required by the Customer. For Goods which constitute or are intended to be incorporated into production products for automotive applications, Seller agrees to meet the full requirements of industry Production Part Approval Processes (PPAP) as specified by Buyer and/or the Customer (as applicable).
- (d) Buyer's payment for and/or acceptance of the Goods and/or Services shall not relieve Seller from any of its obligations and/or warranties under this Order. Subject to Buyer's rights under subparagraph 17(b) respecting Buyer's title to the Goods upon payment therefor, in no event shall payment for the Goods and/or Services be deemed to constitute acceptance by or on behalf of Buyer for any other purposes hereunder or at law.

17. MATERIALS, EQUIPMENT, TOOLS AND FACILITIES

- (a) Unless otherwise expressly stated in this Order, Seller shall, at its own expense, supply and, as applicable, maintain in good condition and repair and replace when necessary or reasonably required, all materials, equipment, tools, jigs, dies, gauges, fixtures, moulds, patterns, drawings, specifications, samples, supplies and facilities required to perform this Order.
- (b) Notwithstanding any other provision in this Order, Seller expressly acknowledges and agrees that: (i) all materials, parts, components, assemblies, equipment, tools, jigs, dies, gauges, fixtures, moulds, patterns, drawings, specifications, samples, supplies and facilities, including any replacements thereof, any materials affixed or attached thereto and any special tooling manufactured, produced or provided by Seller for the performance of its obligations under this Order (collectively, "Tooling"), that are furnished to Seller or specifically paid for, in whole or in part, by Buyer, including any Tooling the cost of which is fully or substantially amortized in the price of the Goods and/or Services; and (ii) all of the Goods that have been paid for, in whole or in part, by Buyer, whether or not Buyer has exercised its rights of inspection in respect thereof (all items in clauses (i) and (ii) above, collectively, the "Buyer's Property"), shall be held by Seller on a bailment basis and remain the property of, with both title and the right of possession in, Buyer and without limiting or affecting any other rights or remedies available hereunder or at law. Seller shall assign to Buyer all contract rights or claims in which Seller has an interest with respect to the Buyer's Property and, upon request by Buyer, shall execute bailment agreements/bonds, bills of sale, financing statements or other documents reasonably requested by Buyer to evidence Buyer's ownership of the Buyer's Property. In addition to any other right or remedy with respect to the Buyer's Property given to Buyer by statute or rule of law, Seller acknowledges that this Order creates or provides for a "security interest" and/or a "purchase-money security interest" (within the meaning of applicable personal property security legislation) in favour of Buyer in the Buyer's Property which may be registered or otherwise protected by Buyer at any time in Buyer's sole discretion. Seller shall indemnify and defend Buyer against all claims or liens adverse to Buyer's interest in the Buyer's Property. The Buyer's Property, while in the custody or control of Seller or its subcontractors, suppliers or agents, shall be held at Seller's risk, shall be kept insured by Seller, at Seller's expense, against loss or damage in an amount equal to the replacement cost thereof, and shall be subject to removal on Buyer's written request. Seller shall promptly notify Buyer of the location of the Buyer's Property, if any is located at any place other than Seller's premises. Unless otherwise expressly stated in this Order, Seller shall maintain accounting and property control records for the Buyer's Property in accordance with sound industrial practices. Seller shall, at Seller's expense, maintain the Buyer's Property in good condition and repair throughout the useful life thereof (as determined by Buyer in accordance with sound industrial practices), and shall replace any of the Buyer's Property if, as and when necessary or reasonably required. Buyer does not provide any warranties with respect to the Buyer's Property. Upon completion or termination of this Order, Seller shall retain on a bailment basis for Buyer, as aforesaid, all Buyer's Property in the custody or control of Seller, at Seller's expense, until disposition directions are received from Buyer. Upon receipt of Buyer's demand or disposition directions, Seller shall, at Seller's expense, properly prepare the Buyer's Property for shipment and shall deliver it to such location(s) as may be specified by Buyer. The Buyer's Property shall be in no less than the same condition as originally received by Seller, normal use and reasonable wear and tear excepted. If Buyer or Seller defaults under this Order, Seller shall, upon Buyer's demand, immediately deliver the Buyer's Property to Buyer and, if Buyer so requests, grant Buyer access to Seller's premises (including, as applicable, the premises of Seller's subcontractors, suppliers and agents) for the purpose of removing the Buyer's Property. To the extent not prohibited by law, Seller waives any lien or similar right (current or future) which Seller may have with respect to the Buyer's Property. Seller shall be responsible for personal property taxes, if any, assessed against the Buyer's Property while in the custody or control of Seller or its subcontractors, suppliers or agents.
- (c) All Buyer's Property referenced in clause 17(b)(i) to be manufactured, produced or provided by Seller in conjunction with this Order must be in strict accordance with the specifications set forth in this Order or as otherwise specified by Buyer to Seller.
- (d) Seller shall use the Buyer's Property referenced in clause 17(b)(i) solely for the purpose of performing its obligations under this Order.
- (e) All Buyer's Property shall be tagged, marked or otherwise clearly identified by Seller as the property of Buyer (or as Buyer may otherwise direct).

18. INTELLECTUAL PROPERTY

- (a) Seller shall indemnify and hold Buyer, its subsidiaries and affiliates, their respective successors, assigns, representatives, employees and agents, the Customer and users of products or services incorporating the Goods and/or Services, harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind (including court costs, legal and other professional fees, and other costs associated with any indemnified party's administrative time, labor and materials) arising from or relating to the infringement or alleged infringement of any patent, trademark, service mark, copyright, industrial design, mask work, trade secret or other intellectual property right for or on account of the manufacture, sale or use of the Goods and/or Services, or of the products or services incorporating the Goods and/or Services, except where strict compliance by Seller with specifications prescribed by, and originating from, Buyer constitutes the sole basis of the infringement or alleged infringement and is so proved by Seller. Subject to the aforesaid exception, Seller expressly waives any claim against Buyer that any such infringement or alleged infringement arises out of compliance with Buyer's specifications. Buyer shall notify Seller of any suit filed against Buyer or other indemnified parties herein, on account of any such infringement or alleged infringement and, at Seller's request, shall give Seller control of the defense of such suit, insofar as Buyer has the authority to do so, and reasonable information and assistance in connection therewith, all at Seller's expense. Buyer and other indemnified parties herein shall have the right to be represented by their own legal counsel and actively participate in any such suit, and the reasonable costs of such representation shall be paid by Seller on demand. If a claim of infringement or alleged infringement results or is reasonably anticipated to result in an injunction or other legal order preventing Seller from supplying or Buyer from using the Goods and/or Services for their intended purpose, Seller shall, at its expense, (i) secure a valid license or other applicable rights to permit such continued supply or use, (ii) modify (with the prior approval of Buyer and, if applicable the Customer) the Goods and/or Services so that they become non-infringing, so long as the modifications do not significantly alter or affect the form, fit, function, operation or performance of the Goods and/or Services, or (iii) replace (with the prior consent of Buyer and, if applicable, the Customer) the Goods and/or Services with non-infringing, but substantially equivalent goods and/or services.
- (b) Seller hereby grants to Buyer, its subsidiaries and affiliates, and their respective successors and assigns, and Buyer hereby accepts, a non-exclusive, irrevocable, perpetual, worldwide license, including the right to sublicense to others in connection with providing the Goods and/or Services to Buyer or the Customer, under: (i) patents, industrial designs, technical information, know-how, processes of manufacture and other intellectual property, owned or controlled by Seller or its subsidiaries and affiliates, and relating to the Goods and/or Services, to make, have made, repair, reconstruct, rebuild, relocate, use, sell and import the Goods and/or Services, and (ii) any works of authorship fixed in any tangible medium of expression (including drawings, prints, manuals and specifications) furnished by Seller in the course of Seller's activities under this Order, to reproduce, distribute and display such works and to prepare derivative works based thereon, subject to the other provisions of this Order (all items in clauses (i) and (ii) above, collectively, "Seller's Intellectual Property", and such license in respect thereof, the "License"). Seller acknowledges and understands that the License shall be effective from the first date of delivery of the Goods and/or Services under this Order and shall extend for the duration of this Order or, if longer, so long as Buyer has contractual obligations to the Customer relating to the Goods and/or Services or products or services incorporating the Goods and/or Services. Except as provided below, Buyer agrees to pay to Seller a reasonable royalty for the License, and Seller acknowledges that: (x) until the end of the third Model Year (as defined below) after the first date of delivery of the Goods and/or Services under this Order, such reasonable royalty shall be deemed to be included in the prices for the Goods and/or Services paid by Buyer to Seller under this Order, and thereafter the License shall be deemed to be royalty free and fully paid-up; and (y) prior to the end of the third Model Year (after the first date of delivery of the Goods and/or Services under this Order) in the event that, under the License, Buyer wishes to obtain the supply of the Goods and/or Services from a third party, Buyer agrees to pay an additional amount for such reasonable royalty, for the period from the date of the commencement of such third party supply until the end of the third Model Year after the first date of delivery of the Goods and/or Services under this Order, and thereafter the License shall be royalty free and fully paid-up. Buyer and Seller agree to negotiate, acting reasonably and in good faith, such additional amount for such reasonable royalty, provided that in no event shall such additional amount be in excess of one and one half percent (1½%) of the then-current price of the Goods and/or Services. Buyer and Seller acknowledge and agree that the License granted and accepted under this subparagraph 18(b) shall be royalty free and fully paid-up to Buyer in the event that this Order is terminated by Buyer pursuant to paragraphs 25 or 26, or in the event that Seller for any reason is unable to satisfy the quality, quantity, delivery or related requirements of Buyer for

the Goods and/or Services under this Order. To the extent applicable, the License is intended to be subject to 11 USC Section 365(n), as an executory agreement under which Buyer has license rights to Seller's Intellectual Property, and is supplementary to any other rights of Buyer under this Order and any other agreement with Seller. For the purposes of this subparagraph 18(b), "Model Year" means the full or partial vehicle model year established by the original equipment manufacturer of the vehicle into which the Goods and/or Services (or products or services incorporating the Goods and/or Services) are incorporated.

- (c) To the extent that Seller creates or develops any inventions, discoveries, improvements, designs, technical information, know-how, processes of manufacture, or other intellectual property in the performance of Seller's obligations under this Order which are directly or indirectly paid for by Buyer, including by way of amortization in the price of the Goods and/or Services, Seller shall: (i) assign to Buyer each such invention, discovery or improvement (whether or not patentable) that is conceived or first reduced to practice by Seller, or by any person employed by or working under the direction of Seller, in the performance of Seller's obligations under this Order; and (ii) promptly disclose in an acceptable form to Buyer all such inventions, discoveries or improvements and cause Seller's employees to sign any papers necessary to enable Buyer to obtain title to and to file applications for patents throughout the world. To the extent that any works of authorship (including, software and computer programs) are created or developed in the performance of Seller's obligations under this Order which are directly or indirectly paid for by Buyer, including by way of amortization in the price of the Goods and/or Services, such works shall be considered "works made for hire", and to the extent that such works do not qualify as "works made for hire", Seller hereby assigns to Buyer all right, title, and interest in all copyrights and moral rights therein.
- (d) Seller shall not manufacture or provide, or offer to manufacture or provide, any goods or services that are based in whole or in part upon Buyer's intellectual property and/or the drawings or specifications in respect of the Goods and/or Services, or any derivatives thereof, whether for its own purposes (other than to satisfy its obligations under this Order), for the Customer or any other third parties, without Buyer's prior written consent. The foregoing restriction shall not apply in respect of "standard", "off-the-shelf" or "catalogue" goods or services that have been routinely manufactured or provided by Seller and developed by Seller, in each case, prior to this Order and independently of Seller's relationship with Buyer.

19. CONFIDENTIALITY AND NON-DISCLOSURE

- (a) Seller shall consider and treat all Information (as defined in subparagraph 19(b)) as confidential, shall safeguard such Information in an appropriate and reasonable manner (but being at least the same as that used by Seller to protect its own information of the same or a similar nature and relative importance), and shall not disclose any Information to any other person (including a competitor of Buyer or a person, who with knowledge of the Information, could damage Buyer's competitive position), or use any Information against the interests of Buyer or for any purpose except as required by this Order, without Buyer's prior written consent. Buyer retains all rights with respect to the Information, and Seller shall not acquire, nor attempt to obtain (whether by filing applications, asserting claims, disputing Buyer's rights or otherwise) any patent, trademark, copyright, license or other rights in respect of the Information. Seller shall not allow any Information to be reproduced, communicated or in any way used, in whole or in part, in connection with services or goods furnished to others, without Buyer's prior written consent.
- (b) For the purposes of this Order, "Information" means all prints, designs, drawings, layouts, specifications, instructions, developments, technical data, test data, computations, analyses, models, samples, prototypes, materials, products, parts lists, costs and pricing, methods, processes, systems, plans, forecasts, reports, working papers and other information (whether or not commercial, financial, business or technical in nature) furnished by or on behalf of Buyer and/or, if applicable, the Customer, and includes all terms and conditions and any other information relating to this Order.
- (c) Seller shall not advertise or otherwise publicly disclose (i) the fact that Buyer has contracted to purchase the Goods and/or Services from Seller; or (ii) the identity or applicable vehicle production program of the Customer where the Goods and/or Services are directly or indirectly sold or incorporated into products or services sold by Buyer to a Customer for use in a vehicle production program, without, in either case, Buyer's prior written consent.

20. DISCLOSURE TO BUYER

Unless otherwise expressly stated in this Order and except as may be agreed in a prior written agreement between Buyer and Seller, no commercial, financial, business or technical information furnished or disclosed in any manner or at any time by Seller to Buyer shall be deemed to be secret, proprietary or confidential, and Seller shall have no rights against Buyer (or the Customer) with respect to any use or disclosure of such information.

21. COMPLIANCE WITH LAWS

- (a) Seller's performance of its obligations under this Order shall be in compliance with all international, federal, provincial, state and local laws, ordinances, rules, codes, standards, agreements, and regulations, as promulgated, enacted and amended from time to time, that are applicable to this Order (collectively, "Laws"). Seller shall furnish Buyer with certificates of compliance, where required under such applicable Laws or when requested by Buyer. Each invoice rendered to Buyer under this Order shall constitute written assurance by Seller that Seller has fully complied with all applicable Laws.
- (b) Seller represents that neither it nor any of its subcontractors or suppliers utilize or support any form of child, forced or involuntary labor in the supply of the Goods and/or Services under this Order and that it respects valid land and water rights and does not practice forced evictions. Within the framework of its commercial dealings with Buyer, Seller shall not engage in any actions or practices which may lead to criminal or civil liability due to fraud, bribery, embezzlement, unfair competition or other forms of corruption or violations of the Buyer's Code of Conduct on the part of persons employed by Seller or third parties for the benefit of Seller.
- (c) Upon request, Seller shall promptly furnish to Buyer all documents and other information requested by Buyer to confirm Seller's (and its subcontractors and suppliers) compliance with all applicable laws governing consumer protection, child and/or forced labor, conflict minerals or similar materials or ingredients. Seller will participate in or respond to, at Seller's expense, any audit, investigation, inquiry, certification, or screening process reasonably requested by Buyer (including its agents) or the Customer to verify Seller's compliance with this paragraph 21.
- (d) Seller shall indemnify and hold Buyer, its subsidiaries and affiliates, their respective successors, assigns, representatives, employees and agents and the Customer, harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any kind and nature (including personal injury, property damage, consequential and special damages, court costs, legal and other professional fees, and other costs associated with any indemnified party's administrative time, labor and materials) arising from or relating to Seller's failure to comply with this paragraph 21.

22. SELLER'S ENTRY UPON BUYER'S OR CUSTOMER'S PREMISES

If Seller or any of its representatives, employees, agents, subcontractors or suppliers (collectively, "Seller Parties") enter upon the premises owned, controlled or occupied by Buyer or its subsidiaries or affiliates (the "Buyer's Premises") or upon the Customer's premises, in each case in connection with Seller's performance of its obligations under this Order, Seller shall: (i) indemnify and hold Buyer, its subsidiaries and affiliates, the Customer, and their respective successors, assigns, representatives, employees, agents, harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any kind or nature (including court costs, legal and other professional fees, and other costs associated with any indemnified party's administrative time, labor and materials) by reason or on account of property damage, death and/or personal injury, arising from or relating to Seller's performance of its obligations under this Order, which is or are occasioned by Seller Parties' actions, omissions or negligence; and (ii) ensure that Seller Parties are in compliance with all requirements of any workers' compensation legislation of the jurisdictions in which the Buyer's Premises or the Customer's premises are located.

23. INSURANCE

- (a) Seller shall maintain and carry: (i) property and general liability insurance, including public liability, commercial property insurance covering Buyer's Property at the full replacement cost thereof, property damage liability, product liability and contractual liability coverages; and (ii) workers' compensation and employers' liability insurance covering all employees engaged in the performance of this Order; in each case, in such amounts and with such limits (subject to subparagraph 23(b)) and with such insurers that are acceptable to Buyer, acting reasonably. Each policy shall expressly state that it provides primary coverage to any other insurance coverage available to Buyer and shall include an endorsement under which the insurer waives any rights of subrogation it may have against Buyer.

- (b) Unless otherwise expressly stated in this Order, Seller's liability insurance policies shall have combined single limits of no less than five million U.S. dollars (U.S.\$5,000,000) per occurrence and in the aggregate; provided that such limits shall not limit Seller's liability under this Order. Seller's property insurance policies shall be written on a "replacement cost" basis, and Seller's workers' compensation policies shall be in compliance with applicable statutory requirements and limits.
- (c) Seller shall furnish Buyer with certificates or other satisfactory proof of insurance confirming the foregoing insurance coverages within ten (10) days of Buyer's request. Any such certificate shall provide for terms and conditions satisfactory to Buyer whereby, among other things: (i) the interest of Buyer in such insurance coverage has been recognized, whether by way of designating Buyer as an additional insured, loss payee or otherwise as may be requested by Buyer from time to time; and (ii) Buyer shall receive not less than thirty (30) days prior written notice from the insurer before any termination or reduction in the amount or scope of coverage can occur, with Buyer having the right (at Seller's expense), but not the obligation, to maintain such insurance coverage prior to the expiration of such notice. The receipt or review of such certificates or other proof of insurance coverage at any time by Buyer shall not relieve Seller from its insurance obligations hereunder or reduce or modify such insurance obligations.

24. TERMINATION UPON NOTICE

- (a) In addition to any other rights of Buyer to terminate this Order, Buyer may, in its sole discretion for any or no reason, upon thirty (30) days prior written notice to Seller or, if applicable, such shorter period as may be required by the Customer, terminate this Order, in whole or in part (other than the minimum quantities specified in subparagraph 5(b), if applicable) at any time, and notwithstanding the existence of any excusable delay or other events or circumstances affecting Seller. Buyer's notice to Seller may be given by facsimile, e-mail or other form of electronic transmission, and shall state the extent and effective date of termination. Seller may not terminate this Order for any reason, except as otherwise expressly provided in this Order.
- (b) Upon receipt of notice of termination from Buyer, Seller shall, as of the effective date of termination and to the extent directed by Buyer or its representatives: (i) stop work under this Order and any other orders related to work terminated by such notice; (ii) protect all property in Seller's possession or control in which Buyer has or may acquire an interest, including the Buyer's Property; and (iii) if this Order is terminated in full, cease to be bound to deliver and/or perform, and Buyer shall cease to be bound to receive delivery and/or performance of, any further Goods and/or Services (other than the minimum quantities specified in subparagraph 5(b), if applicable). Seller shall promptly submit to Buyer any claims relating to such termination, and in any event within thirty (30) days (unless Buyer agrees otherwise) from the effective date of such termination. Seller hereby grants Buyer the right to audit and inspect its books, records and other documents relating to any termination claims.
- (c) If Buyer and Seller cannot agree within a reasonable time upon the amount of fair compensation for Buyer's termination of this Order, Buyer shall, in addition to making payment of the price specified in this Order for the Goods and/or Services delivered or performed and accepted by Buyer prior to the effective date of termination, pay to Seller the following amounts, without duplication: (i) the price specified in this Order for the Goods and/or Services manufactured or provided in accordance with the terms of this Order but not previously paid for; (ii) the actual costs of work-in-process and parts and raw materials inventory incurred by Seller in performing its obligations under this Order, to the extent such costs are reasonable in amount and are properly allocated or apportioned under generally accepted accounting principles to the terminated portion of this Order; and (iii) any other costs or allowances that Buyer, in its sole discretion, may elect to recognize and pay. Buyer shall not be obligated to make any payment for: (x) the Goods and/or Services or work-in-process or parts or raw materials inventory that are manufactured, provided or procured by Seller in amounts in excess of those authorized in any Release, that are damaged or destroyed or that are not merchantable or useable; (y) any undelivered Goods that are "off the shelf", in Seller's standard stock or that are readily marketable; or (z) work-in-process or parts or raw materials inventory that can be returned to Seller's suppliers or subcontractors for credit. Payments made in connection with a termination of this Order under subparagraph 24(a) shall not exceed the aggregate price for the Goods and/or Services that would be manufactured or provided by Seller under any Release outstanding at the effective date of termination. Except as provided in this subparagraph 24(c), Buyer shall not be liable for and shall not be required to make payments to Seller, directly or indirectly (whether on account of claims by Seller's subcontractors or otherwise), for any losses arising from or attributable to any failure to realize anticipated revenues, savings or profits, unabsorbed overheads, interest on claims, product development and engineering costs, capital costs, facilities and equipment rearrangement costs or rentals, unamortized depreciation costs or general and

administrative burden charges, unless (and only to the extent that) any of the foregoing are otherwise expressly stated in this Order. In the event of a termination of this Order by Buyer as a result of Buyer ceasing to be a supplier to the Customer for the vehicle production program in respect of which Buyer issued this Order, Buyer shall only be obligated to compensate Seller for any costs under this paragraph if, when and to the extent that the Customer reimburses Buyer for such costs.

- (d) Seller may, with Buyer's prior written consent, retain or sell at an agreed price any of the Goods and/or Services or work in process, parts or raw materials inventory, the cost of which is allocated or apportioned to this Order under clause 24(c)(ii), and shall credit or pay the amounts so agreed or received as Buyer directs, with an appropriate adjustment for any delivery cost savings. Seller shall, if directed by Buyer, transfer title to and make delivery of any Goods, work in process, parts or raw materials inventory not so retained or sold.
- (e) Any termination under this paragraph 24 shall not affect the entitlement of Buyer with respect to the Buyer's Property, including pursuant to subparagraph 17(b).

25. TERMINATION UPON SELLER'S DEFAULT OR CHANGE OF CONTROL

- (a) Buyer may terminate this Order, in whole or in part, for default occasioned by Seller's: (i) breach of any terms of this Order; (ii) failure to perform in accordance with the requirements of this Order; or (iii) failure to make progress so as to endanger timely and proper delivery of the Goods and/or completion of the Services and, in each such case, Seller does not cure or correct such breach or failure within ten (10) days (or such shorter period of time as Buyer may determine, if commercially reasonable under the circumstances) after receipt of written notice from Buyer specifying such breach or failure. Seller shall be liable for all costs, damages and expenses caused by or resulting from its default under this Order.
- (b) Buyer may terminate this Order, in whole or in part, in the event of a change of control of Seller. For the purposes of this Order, a "change of control" includes: (i) any sale, lease or exchange of a substantial portion of Seller's assets used in connection with Seller's performance of its obligations under this Order; (ii) any sale or exchange of a sufficient number of shares of Seller, or of any affiliate that controls Seller, to effect a change in management of Seller; or (iii) the execution of a voting or other agreement of control in respect of Seller, or of any affiliate that controls Seller. Seller shall notify Buyer in writing within ten (10) days of any change of control of Seller, and Buyer may terminate this Order by giving written notice to Seller at any time up to sixty (60) days after Buyer's receipt of Seller's notice of change of control.
- (c) Any termination under this paragraph 25 shall (i) be without liability to Buyer, except for the Goods delivered and/or Services performed by Seller and accepted by Buyer; and (ii) not affect the entitlement of Buyer with respect to the Buyer's Property, including pursuant to subparagraph 17(b).

26. TERMINATION UPON INSOLVENCY, BANKRUPTCY, ETC.

- (a) Either party may terminate this Order, without liability to the other party: (i) in the event of the insolvency, bankruptcy, reorganization, arrangement, receivership or liquidation by or against the other party; (ii) in the event that the other party makes an assignment for the benefit of its creditors, seeks protection from its creditors under applicable laws or ceases to carry on business in the ordinary course; or (iii) if a receiver is appointed in respect of the other party or all or part of its property (collectively, an "Insolvency Event"). In the event of such termination, the other party shall be liable for all costs, damages and expenses suffered by the party that terminates this Order. Any such termination shall not affect the entitlement of Buyer with respect to the Buyer's Property, including pursuant to subparagraph 17(b).
- (b) In the event that Buyer does not terminate this Order upon the occurrence of an Insolvency Event in respect of Seller, unless otherwise specifically prohibited by applicable law, Buyer may make such equitable adjustments in the price and/or delivery requirements under this Order as Buyer deems appropriate to address the change in Seller's circumstances, including Seller's on-going liability to perform its obligations regarding warranty, defective Goods and/or Services or other requirements under this Order.

27. TRANSITION OF SUPPLY

- (a) In connection with Buyer's termination or non-renewal of this Order, or Buyer's other decision to source the Goods and/or Services from any alternate supplier(s), Seller shall cooperate with Buyer in the transition of supply of the Goods and/or Services, including the following: (i) Seller shall continue production and delivery of all Goods and/or Services as ordered by Buyer, at the prices and other terms stated in this Order, without premium or other condition, during the period reasonably required by Buyer to complete the transition to the alternate supplier(s), such that Seller's action or inaction causes no interruption in Buyer's ability to obtain the Goods and/or Services as needed; (ii) at no cost to Buyer, Seller shall promptly provide all requested

information and documentation regarding, and access to, Seller's manufacturing processes, including on-site inspections, bill-of-material data, tooling and process detail and samples of the Goods and/or Services and components; and (iii) subject to Seller's reasonable capacity constraints, Seller shall provide special overtime production, storage and/or management of extra inventory of the Goods, extraordinary packaging and transportation and other special services (collectively, "Transition Support") as expressly requested by Buyer in writing.

- (b) If the transition of supply occurs for reasons other than Buyer's termination of this Order pursuant to paragraphs 25 or 26, Buyer shall, at the end of the transition period, pay the reasonable, actual cost of the Transition Support as requested by Buyer and incurred by Seller, provided that Buyer has approved Seller's estimate of such costs prior to Seller incurring such amounts.

28. SERVICE AND REPLACEMENT PARTS

- (a) Except as otherwise expressly agreed in writing, for fifteen (15) years (or such longer period as required by the Customer) after a vehicle design or specific part concludes production, Seller shall supply Buyer's "service part" or "replacement part" orders for the same Goods, component parts and materials, at the last applicable prices set forth in this Order plus, if agreed by Buyer and recognized and reimbursed by the Customer, any actual cost differential for special packaging and any other reasonable costs incurred by Seller in connection with the supply of such service or replacement parts. Service part and replacement part requirements during the ongoing production of the Goods shall be supplied by Seller at the prices set forth in this Order.
- (b) At Buyer's request, Seller shall make service literature and other materials available at no additional charge to support Buyer's service part or replacement part sales activities.

29. RIGHT TO AUDIT AND FINANCIAL REVIEW

- (a) Seller grants to Buyer and its authorized agents and representatives access to all pertinent financial information and supporting documentation, including books, records, payroll data, receipts, correspondence and other documents, for the purpose of auditing Seller's charges under this Order, during the term of this Order and for an additional two (2) years after the final payment under this Order (or such longer period as required by the Customer). Seller shall preserve such information for such period (or longer, if required by applicable law). In addition, all work, materials, inventories and other items provided for under this Order must at all times be accessible to Buyer and to its authorized agents and representatives, including parts, tools, fixtures, gauges and models. Seller shall segregate its records and otherwise co-operate with Buyer so as to facilitate any such audit.
- (b) If such audit shows any price discrepancy or Seller's non-compliance with this Order, Seller shall reimburse Buyer for such discrepancy or other losses caused by its non-compliance, together with interest at an annual rate of twelve percent (12%) (or, if lower, the maximum rate allowed by applicable law), plus the costs of the audit.
- (c) Buyer, or a third party designated by and acting on behalf of Buyer, may at any time review the financial condition of Seller and its subsidiaries and affiliates, and Seller shall fully co-operate in such review, including providing access to all relevant documents and records (including applicable financial records and statements) and making its financial managers available for discussions during reasonable business hours. Buyer and any such designated third party shall keep confidential any non-public information about Seller and its subsidiaries and affiliates obtained in such financial review and shall use such information only for purposes of such review, except as otherwise needed to enforce this Order.

30. BUYER'S WEBSITE

- (a) Buyer's website (or such other website as may be directed through links available on Buyer's website) as specified on the face of this Order ("Buyer's Website") may contain specific additional requirements for certain items covered by this Order, including labeling, packaging, shipping, delivery and quality specifications, procedures, directions and/or instructions. All of such requirements, as applicable, shall be deemed to form part of this Order. Buyer may periodically update such requirements by posting revisions thereto on Buyer's Website. In the event of any inconsistency between this Order and Buyer's Website, the terms of this Order shall prevail, unless the requirements specified on Buyer's Website expressly provide otherwise. Seller agrees to review Buyer's Website periodically for such additional requirements and any updates thereto.

- (b) Buyer may modify these purchase order terms and conditions from time to time by posting revised purchase order terms and conditions on Buyer's Website. Such revised purchase order terms and conditions shall apply to all purchase orders and purchase order revisions issued on or after the effective date thereof. Seller agrees to review Buyer's Website periodically for such revised purchase order terms and conditions.

31. SUBCONTRACTS

Seller shall ensure that the terms of its contracts with its subcontractors and suppliers provide Buyer and the Customer with all of the rights specified in this Order, including those set forth in subparagraph 3(a).

32. ASSIGNMENT

- (a) Seller shall not assign this Order or any portion hereof or work hereunder or any interest herein, except that Seller may, with Buyer's prior written consent, make an assignment of monies due or which may become due hereunder to a bank or other financing institution; provided that any such assignment by Seller shall be subject to deduction, set-off, recoupment or any other lawful means of enforcing any present or future claims that Buyer may have against Seller, and provided further that any such assignment shall not be made to more than a single assignee. In the event of any such assignment, Seller shall provide to Buyer, in addition to written notice of the assignment, a true copy of the instrument of assignment for Buyer's information only and, notwithstanding such receipt by Buyer, such notice of assignment and/or instrument of assignment shall not be deemed to vary or waive the provisions of this paragraph.
- (b) Buyer shall have the right to assign this Order or its interest herein, without Seller's consent, to any of its subsidiaries or affiliates or to any purchaser or successor to Buyer's business.

33. RIGHT OF BUYER TO PERFORM

If Seller fails to perform any of its obligations under this Order, Buyer and its agents may, without limiting or affecting Buyer's other rights and remedies available hereunder or at law, but shall not be obligated to, perform such obligations without waiving or releasing Seller from such obligations. Where applicable, Buyer and its agents shall be entitled to enter upon Seller's premises to perform, or to remove the Tooling and all materials necessary to perform, such obligations. All costs, damages and expenses incurred directly or indirectly by Buyer in connection with the foregoing, including legal and other professional fees and other costs associated with Buyer's administrative time, labor and materials, shall be paid by Seller to Buyer on demand or, at Buyer's option, may be set-off against and deducted from any amounts then owing by Buyer to Seller.

34. REMEDIES

- (a) The remedies reserved in this Order shall be cumulative and not alternative, and may be exercised separately or together, in any order or combination, and are in addition to any other remedies provided for or allowed by law, at equity or otherwise.
- (b) Seller expressly acknowledges and agrees that any failure of Seller to deliver the Goods and/or perform the Services on the date(s) and time(s) as specified in this Order shall cause irreparable harm to Buyer, and that in such event, Buyer shall be entitled to equitable relief, including injunction, without the necessity of posting bond or providing proof of actual injury or damage. In addition, Buyer shall be entitled to claim from Seller (including by way of debit, debit memorandum, reduction in payment and/or right of set-off under subparagraph 11(a)) any costs or expenses incurred by Buyer as a result of Seller's failure to perform any of its obligations under this Order, together with interest or late payment charges, administration/processing fees, and collection costs and expenses.
- (c) Any proceeding or action initiated by Seller for breach of contract or any other act or omission (including tort) arising from or related to this Order must be commenced no later than one (1) year after (i) the breach, act, or omission giving rise to Seller's claim occurs; or (ii) when Seller knew, or should have known, of the existence (or the facts or circumstances giving rise to the existence) of such claim, whichever first occurs.

35. 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 this Order, or either party's waiver of any breach or default hereunder by the other party shall not, thereafter, waive any other terms, conditions, rights, remedies, breaches or defaults, whether of the same or a similar type or not.

36. MODIFICATIONS

No modification of this Order, including any waiver of or addition to any of the Terms, shall be binding upon Buyer, unless made in writing and signed by Buyer's authorized representative(s).

37. TORT OBLIGATIONS

Buyer's rights and Seller's obligations under this Order shall not, in any manner whatsoever, limit or reduce Seller's common-law tort obligations or Buyer's right to sue in tort in addition, or as an alternative, to suing in contract. Seller hereby waives the right to sue in tort in respect of any matter that is addressed, in whole or in part, by this Order.

38. RELATIONSHIP OF THE PARTIES

Seller and Buyer are independent contracting parties and nothing in this Order shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does this Order grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. None of the persons engaged by Seller in the performance of its obligations under this Order shall be considered as employees of Buyer.

39. SEVERABILITY

If any provision of this Order is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such provision shall 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 Order shall remain in full force and effect.

40. NOTICES

Except as otherwise expressly stated in this Order, any notice given or other communication sent under this Order shall be in writing and shall be properly delivered to its addressee by hand, prepaid courier, registered or certified mail, e-mail or other form of electronic transmission (receipt confirmed) or facsimile (receipt confirmed) at the applicable address or facsimile number noted on the face of this Order. Any notice or communication given as provided herein shall be deemed to have been received at the time of its delivery if delivered by hand, on the business day following its dispatch if transmitted by courier, e-mail, other electronic transmission or facsimile, or on the third business day following its mailing if sent by registered or certified mail. Either party may notify the other party, in the manner provided for herein, of any change of applicable address or facsimile number for the purpose of giving notices or sending communications under this Order.

41. SURVIVAL

Unless otherwise expressly stated in this Order, the obligations of Seller to Buyer shall survive any termination of this Order.

42. GOVERNING LAW AND JURISDICTION

- (a) If the location of Buyer from which this Order issued is in Canada, this Order shall be interpreted and enforced in accordance with the local, domestic laws of the Province of Ontario and the laws of Canada applicable therein, exclusive of the choice or conflicts of law rules thereof. If the location of Buyer from which this Order issued is in the United States of America, this Order shall be interpreted and enforced in accordance with the local, domestic laws of the State of Michigan and the laws of the United States of America applicable therein, exclusive of the choice or conflicts of law rules thereof. If the location of Buyer from which this Order issued is in the United Kingdom, this Order shall be interpreted and enforced in accordance with the local, domestic laws of England and Wales, exclusive of the choice or conflicts of law rules thereof. Except as otherwise expressly stated in this Order, if the location of Buyer from which this Order issued is other than as set forth above, this Order shall be interpreted and enforced in accordance with the local, domestic laws of the Province of Ontario and the laws of Canada applicable therein, exclusive of the choice or conflicts of law rules thereof. For greater certainty, the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Order.
- (b) Any litigation on contractual claims arising from this Order may be brought by Buyer in any court having jurisdiction over Seller or, at Buyer's option, in any court having jurisdiction over any Buyer's location(s) specified in this Order, in which event, Seller consents to jurisdiction and service of process in accordance with applicable procedures. Any claim or proceeding by Seller against Buyer may be brought by Seller only in the court having jurisdiction over the location of Buyer from which this Order is issued. Seller irrevocably

waives and agrees not to raise any objections it might now or hereafter have to any such claim or proceeding in any such court, including any objection that the place where such court is located is in an inconvenient forum or that there is or may be another claim or proceeding in another place relating, in whole or in part, to the same subject matter.