# MULTIMATIC PURCHASE ORDER TERMS AND CONDITIONS FOR NON-PRODUCTION GOODS AND SERVICES

Effective Date: May 17, 2017

## 1. OFFER AND ACCEPTANCE; TERMS OF ORDER

- (a) Each purchase order and purchase order revision ("this Order") issued by Buyer to Seller for the purchase of goods and/or services, 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) 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 commencement of (i) work on the goods subject to this Order (the "Goods") or shipment of the Goods, whichever occurs first, or (ii) performance of all or any portion of the services subject to this Order (the "Services"), is limited to and conditional upon Seller's acceptance of the Terms. Any proposal for additional or different terms or any attempt by Seller to vary any of the Terms, whether in Seller's quotation form, acknowledgement form, invoice, correspondence or otherwise, shall be deemed material and is hereby objected to and rejected by Buyer. This Order does not constitute an acceptance of any prior offer, proposal or quotation by Seller, and any reference in this Order to any such prior offer, proposal or quotation (whether or not such offer, proposal or 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, proposal or quotation, but only to the extent that such description or specifications are not directly in conflict with the description and specifications contained in this Order. 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, offers, proposals, quotations 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.
- (d) Unless otherwise expressly stated in this Order, Buyer shall not be required to purchase the Goods and/or Services exclusively from Seller.

#### 2. CHANGES

- (a) Buyer reserves the right to make changes or to require Seller to make changes to the design, including drawings, materials and specifications, processing, method of packing and shipping, date(s)/time(s) or place(s) of delivery or performance, or other provisions of this Order. If any such change results in an increase or 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 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 asserts its claims, if any, under this paragraph 2 to Buyer including all applicable supporting information and documentation, 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, procedures or the location of the facilities used by Seller for the performance of its obligations under this Order.

#### 3. SAMPLES

Seller will supply samples in accordance with quality standard ISO 9001, ISO/TS 16949 and/or Buyer's prescribed requirements (as the case may be) if samples are specified as required under this Order.

## 4. BAILED PROPERTY

(a) Seller bears all responsibility for loss and damage to any property of Buyer (whether or not owned by Buyer) in Seller's possession or control for use in performing this Order ("Buyer's Property"), including responsibility for loss or damage which occur despite Seller's exercise of reasonable care, but excluding normal wear and tear. Seller will (i) properly house and maintain Buyer's Property on Seller's premises, (ii) prominently mark it "Property of Buyer" or as Buyer may otherwise direct, (iii) refrain from commingling

- Buyer's Property with the property of Seller or any other party, (iv) adequately insure Buyer's Property against loss or damage in an amount equal to the replacement cost thereof, and (v) not move Buyer's Property to another location, whether owned or occupied by Seller or a third party, without Buyer's prior written consent.
- (b) Buyer will have the right to enter Seller's premises at reasonable times to inspect Buyer's Property and Seller's records pertaining thereto. Where permitted by law, Seller waives any lien that Seller might otherwise have on any of Buyer's Property for work done thereon or otherwise. Seller will assign to Buyer any claims Seller has against third parties with respect to Buyer's Property.
- (c) Upon request, Seller will immediately deliver Buyer's Property either (at Buyer's option) F.O.B. Carrier Seller's facility (Ex Works Loaded) or F.O.B. Buyer's premises (CIF Buyer's plant/Delivered Buyer's plant), properly packed and marked in accordance with the requirements of the carrier and Buyer. Seller will fully cooperate with Buyer's removal of Buyer's Property from Seller's premises.

## 5. LABELING, PACKING AND SHIPMENT

- (a) The Goods are to be suitably prepared for shipment, and 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 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.

## 6. DELIVERY, DUTIES, TAXES

- (a) Unless otherwise expressly stated in this Order, all Goods and/or Services shall be delivered by Seller "DDP Buyer's plant" (Incoterms 2010).
- (b) 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 specified in this Order or, if not so specified, in such quantities and on such dates and times as specified in Buyer's releases, shipping authorizations or other directions or instructions issued or transmitted with respect to this Order. 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 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).
- (c) 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.

## 7. 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 materials contained therein or used in the performance thereof, as may be required by Buyer.

## 8. PAYMENT

(a) Except as otherwise expressly stated in this Order (and subject to paragraph 9), 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 order to be payable, invoices must be correct and complete, with appropriate supporting documentation and other information reasonably required by Buyer.
- (b) In no case shall Seller be entitled to any lien or retention of title against the Goods and/or Services, whether pending receipt of Buyer's payment therefore or otherwise.
- (c) Buyer's payment for the Goods and/or Services shall not relieve Seller from any of its obligations and/or warranties under this Order. In no event shall Buyer's payment be deemed to constitute acceptance of the Goods and/or Services by or on behalf of Buyer.

## 9. DEDUCTION, SET-OFF, RECOUPMENT

- (a) 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. 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 9, the terms "Buyer" and "Seller" shall mean and include each of Buyer and Seller and its respective affiliates.

## 10. COMPLETE PRICE AND SELLER'S COMPETITIVENESS

- (a) Except as otherwise expressly stated in this Order, Seller warrants that the prices for the Goods and/or Services 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, increases in raw materials costs, inflation, increases in labor, MRO (maintenance, repair and operations), utilities and other manufacturing costs, changes in trade agreements, duties or customs tariffs, and other factors whatsoever.
- (b) 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.

# 11. WARRANTIES REGARDING GOODS AND SERVICES

- (a) Seller expressly warrants that the Goods shall (i) conform to all drawings, specifications, statements of work, samples and other descriptions and performance requirements relating to the Goods furnished, specified or adopted by Buyer, (ii) comply with all applicable laws, regulations, rules, codes and standards of the jurisdictions in which the Goods are produced, delivered and used, (iii) be merchantable, (iv) be free from 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 defects in materials and workmanship, (vi) be fit, sufficient and suitable for Buyer's intended use, including (as applicable) the specified performance in the facility or equipment identified by Buyer and/or the environment in which the Goods are or may be reasonably expected to be used, and (vii) be free of all liens, claims, charges and encumbrances whatsoever. 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.
- (b) Seller expressly warrants that the Services shall (i) conform to all specifications, statements of work and other descriptions and performance requirements relating to the Services furnished, specified or adopted by Buyer, (ii) comply with all applicable laws, regulations, rules, codes and standards of the jurisdictions in which the Services are to be provided, (iii) be fit, sufficient and suitable for Buyer's intended use, including (as applicable) the specified performance in the facility or equipment identified by Buyer and/or the environment in which the Services are or may be reasonably expected to be used, and (iv) be provided by

- appropriately trained, qualified and experienced personnel, with due care, skill and diligence and to such standards of quality and workmanship as are reasonable for Buyer to expect in the circumstances.
- (c) The warranties in subparagraph 11(a) for the Goods and the warranties in subparagraph 11(b) for the Services are referred to in this Order as the "Seller's Warranties".
- (d) The Seller's Warranties are available to, and for the benefit of, Buyer, its affiliates, and its and their respective successors and assigns. The warranty period shall be the greater of (i) the period expressly stated on the face of this Order, if any, (ii) three (3) years after final acceptance of the Goods and/or Services by Buyer, or (iii) the period provided by applicable law. The 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.
- (e) Seller shall indemnify and hold Buyer, its affiliates and their respective successors, assigns, representatives, employees and agents, harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind arising from or relating to (i) any breach of the Seller's Warranties, and (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. 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(e) will apply regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability or otherwise.

## 12. DEFECTIVE OR NON-CONFORMING GOODS OR SERVICES

- (a) If any of the Goods and/or Services fail to meet the Seller's Warranties, Seller shall, upon notice thereof from Buyer, promptly repair, replace or otherwise satisfactorily deal with the same in a manner acceptable to Buyer, at Seller's expense, and without limiting or affecting Buyer's other rights or remedies available hereunder or at law. The Seller's Warranties shall also apply to such repaired, replaced or otherwise satisfactorily dealt with Goods and/or Services.
- (b) 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.
- (c) 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.

# 13. 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 at all reasonable times and places, including during the period of manufacture. Inspection and approval at Seller's premises does not preclude rejection or other relief for any defects subsequently discovered.
- (c) 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 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.

## 14. INTELLECTUAL PROPERTY

(a) Seller shall indemnify and hold Buyer, its affiliates and their respective successors, assigns, representatives, employees and agents, harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses of any nature or kind 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 (collectively, "Intellectual Property Rights") for or on account of the manufacture, sale or use of the Goods and/or Services, except where and to the extent that compliance by Seller with the requirements prescribed by Buyer constitutes the 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 the 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 supply or use, (ii) modify (with the prior approval of Buyer) 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) the Goods and/or Services with non-infringing, but substantially equivalent goods and/or services.

- (b) In relation to the Goods and/or Services, Seller hereby grants to Buyer, its affiliates and its and their respective successors and assigns, and Buyer hereby accepts, a non-exclusive, royalty-free, irrevocable, perpetual, worldwide license under all applicable Intellectual Property Rights (existing or future), owned or controlled by Seller or its affiliates, required to operate, use, maintain, repair, rebuild, relocate, sell and import/export the Goods and/or Services.
- (c) Any documents, including drawings and specifications, produced or acquired by Seller under this Order shall belong to Buyer, subject only to Seller's existing patent rights (which shall be subject to the license granted under subparagraph 14 (b)), but without any restrictions on Buyer's use, including reproduction, modification, disclosure or distribution of the documents or the information contained therein.
- (d) To the extent that Seller creates or develops any inventions, discoveries or improvements in the performance of Seller's obligations under this Order which are directly or indirectly paid for by Buyer, 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, without limitation, documents, drawings, specifications, 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, such works shall be considered "works made for hire" and owned by Buyer (including all copyrights and moral rights therein), 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.
- (e) 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 or the Information (as defined in subparagraph 15(b)), or any derivatives thereof, whether for its own purposes (other than to satisfy its obligations under this Order) or for any other party, without Buyer's prior written consent.

## 15. CONFIDENTIALITY AND NON-DISCLOSURE

- (a) Seller shall consider and treat all Information (as defined in subparagraph 15(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 party (including a party, 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 or which Buyer acquires ownership or other rights to under this Order.

(c) Seller shall not advertise or otherwise publicly disclose the fact that Buyer has contracted to purchase the Goods and/or Services from Seller, without Buyer's prior written consent.

## 16. COMPLIANCE WITH LAWS

- (a) Seller's performance of its obligations under this Order shall be in compliance with all federal, provincial, state and local laws, ordinances, rules, codes, standards and regulations, as promulgated, enacted and amended from time to time, that are applicable to this Order, including laws relating to personally identifiable information. Seller shall furnish Buyer with certificates of compliance, where required under such applicable laws or when requested by Buyer.
- (b) Seller represents that neither it nor any of its subcontractors or suppliers utilize or any form of forced, involuntary or child labor in the supply of the Goods and/or Services under this Order. 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 on the part of Seller or persons employed by, or acting on behalf of, Seller.
- (c) Seller shall indemnify and hold Buyer, its affiliates and their respective successors, assigns, representatives, employees and agents, 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 16.

## 17. SELLER'S ENTRY UPON BUYER'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, its affiliates or, at Buyer's direction, their customer(s) or suppliers(s) ("Buyer'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 affiliates 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 are located.

# 18. INSURANCE

- (a) Seller shall maintain and carry (i) property and general liability insurance, including public liability, 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 18(b)) and with such insurers that are acceptable to Buyer, acting reasonably.
- (b) Seller's liability insurance policies shall have combined single limits of no less than five million US dollars (US \$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. All of Seller's insurance policies shall be endorsed to state that they are primary and will not be excess to, or contributory with, any self-insurance or insurance policies carried by Buyer.
- (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 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.

## 19. TERMINATION UPON NOTICE

- (a) Unless expressly stated otherwise on the face of this Order, Buyer may terminate this Order, in whole or in part, at any time by a written notice of termination to Seller, notwithstanding the existence of any excusable delay or other events or circumstances affecting Seller (including, by way of example, a change in control of 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. Except as otherwise expressly provided in this Order, Seller may not terminate this Order for any reason.
- (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 (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. 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 under this Order, 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. Except as (and only to the extent) expressly stated on the face of this Order, 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 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.
- (d) Any termination under this paragraph 19 shall not affect the entitlement of Buyer with respect to the Buyer's Property pursuant to paragraph 4.

## 20. TERMINATION UPON SELLER'S DEFAULT

- (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 correct such breach or failure within ten (10) days (or such shorter period of time as Buyer may determine to be commercially reasonable in 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) Any termination under this paragraph 20 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 pursuant to paragraph 4.

# 21. 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. 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.
- (b) Any termination under this paragraph 21 shall not affect the entitlement of Buyer with respect to the Buyer's Property pursuant to paragraph 4.

## 22. RIGHT TO AUDIT AND FINANCIAL REVIEW

- (a) If requested by Buyer, Seller will permit the Buyer and its authorized agents to (i) examine all pertinent documents, data and other information relating to the Goods and/or Services and Seller's obligations under this Order, (ii) view any facility or process relating to the Goods and/or Services, including those relating to production quality, and (iii) audit any facility or process to determine compliance with the requirements of this Order, including Seller's claims under paragraph 19.
- (b) 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 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 affiliates obtained in such financial review, and shall use such information only for purposes of such review or as otherwise needed to enforce this Order.

#### 23. SUBCONTRACTS

Seller shall ensure that the terms of its contracts with its subcontractors and suppliers provide Buyer with all corresponding rights specified in this Order.

## 24. ASSIGNMENT

- (a) Seller shall not assign this Order or any portion hereof or work hereunder or any interest herein, except with Buyer's prior written consent,
- (b) Buyer shall have the right to assign this Order or its interest herein, without Seller's consent, to any of its affiliates or to any purchaser or successor to Buyer's business.

# 25. 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 and/or return Buyer's Property on the date(s) and time(s) as specified in this Order may 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.

# 26. WAIVER

Either party's failure to insist on the performance by the other party of any term or condition 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.

## 27. 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).

# 28. 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 Seller any authority to assume or to create any obligation in the name or on behalf of Buyer. None of the persons engaged by Seller in the performance of its obligations under this Order shall be considered as employees of Buyer.

## 29. 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.

## 30. 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.

## 31. GOVERNING LAW AND JURISDICTION

- (a) This Order shall be interpreted and enforced in accordance with the local, domestic laws (exclusive of the choice or conflicts of law rules thereof) of (i) Ontario, Canada, if the location of Buyer from which this Order issued is in Canada, (ii) Michigan, USA, if the location of Buyer from which this Order issued is in the United States of America, (iii) Mexico, if the location of Buyer from which this Order issued is in Mexico, (vi) England, if the location of Buyer from which this Order issued is in the United Kingdom, (v) the People's Republic of China, if the location of Buyer from which this Order issued is in the People's Republic of China, or (vi) in all other cases, Ontario, Canada. For greater certainty, the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Order.
- (b) Any claim or proceeding arising out of or on connection with this Order (including non-contractual claims or proceedings) may be brought by Buyer in any court having jurisdiction over Seller or, at Buyer's option, in any court having jurisdiction over the location of Buyer from which this Order issued, in which event, Seller consents to jurisdiction and service of process in accordance with applicable procedures. Any claim or proceeding by Seller against Buyer (including non-contractual claims or proceedings) may be brought by Seller only in the court having jurisdiction over the location of Buyer from which this Order issued.