

PURCHASE ORDER TERMS AND CONDITIONS

AGREEMENT (PO face) – This order is not binding on Buyer until accepted by Seller. Acceptance should be executed on the acknowledgment copy that must be returned to Buyer. However, the supply of services or the shipment of goods will also constitute Seller's acknowledgment and acceptance of the purchase order terms and conditions. Below are the terms and conditions to which Seller agrees by acceptance of this order. This order, including the terms and conditions below, Doing Business with Detroit Diesel Corporation - A Supplier's Guide to a Successful Business Relationship with Detroit Diesel Corporation (DDC) and any clauses or signed documents referenced in the order, contains the complete and final agreement between Buyer and Seller and no other agreement modifying the terms and conditions is binding upon Buyer unless made in writing and signed by the Buyer's authorized representative.

- 1. ACCEPTANCE AND FULFILLMENT** - Seller's acceptance of this order is unqualified, unconditional and subject only to the terms and conditions in this order and any clauses or signed documents referenced in the order. Buyer expressly rejects any additional or different terms and conditions, including those which appear in any quotation, acceptance, shipping documentation, invoice or acknowledgment of Seller. Seller may not assert, as a defense to the enforcement of the conditions of this order, any conditions or limitations made in its acceptance. Upon Seller's acceptance, this order is the entire agreement between Buyer and Seller. Seller waives signed acceptance of the order by Buyer. Purchase orders may be transmitted to Seller electronically. Seller agrees to sell to DDC and DDC agrees to purchase from Seller a quantity between a single good and 100% of DDC's needs from external sources for the goods. DDC's needs shall be further defined through orders or releases submitted from time to time by DDC, or as specifically set forth on the face of this purchase order, and Seller shall fulfill all such orders.
- 2. AFTERMARKET AND SERVICE REQUIREMENTS** - Seller shall maintain availability of the goods purchased under this purchase order, at a reasonable price, for service parts requirements for a minimum of 20 years (25 years if the part is used for fire truck and apparatus or school bus chassis) following cessation of production use of the product.
- 3. ASSIGNMENT** - This order may not be assigned or delegated, in whole or in part, without Buyer's prior written consent, including, but not limited to, the subcontracting of work to be performed or the transfer of tooling to third parties for the performance of work under this order.
- 4. CHANGES** - Buyer may at any time make changes in the drawings, designs or specifications, method of shipping or packing, and the place of delivery of any goods and/or work covered hereby, and Seller agrees to promptly make such changes. Any changes to this order shall be made in writing or by electronic communication.
- 5. CLAIMS ADJUSTMENT** - In addition to any right of setoff or recoupment provided by law, Buyer may at any time and without notice deduct or set-off claims by Seller (or its assignee or financing institution) for amounts due or to become due from Buyer against any claims that Buyer has or may have arising out of this or any other transaction between Buyer and Seller.
- 6. COMPLIANCE WITH LAWS** - Seller agrees to comply with all applicable federal, state, and local laws, regulations and ordinances and to indemnify Buyer against all liability for Seller's failure so to comply. The foregoing obligation includes without limitation compliance with all statutory, regulatory, and contractual requirements that may be applicable to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety. The foregoing obligation further includes without limitation compliance with all statutory, regulatory and contractual requirements that may be applicable to Seller pursuant to Buyer's status as a contractor with the U.S. Government, the provisions of which are made a part of this purchase order by reference and include, without limitation, (i) FAR [48 C.F.R.] 52.203-12, Limitation on Payments to Influence Certain Federal Transactions (Oct. 2010); (ii) FAR 52.203-13, Contractor Code of Business Ethics and Conduct (Apr. 2010); (iii) FAR 52.219-8, Utilization of Small Business Concerns (Dec. 2010) (incorporating 15 U.S.C. § 637(d)(2) and (3)); (iv) FAR 52.222.26, Equal Opportunity (Mar. 2007) (incorporating Executive Order 11246); (v) FAR 52.222-35, Equal Opportunity for Veterans (Sep. 2010) (incorporating 38 U.S.C. § 4212 and 41 C.F.R. §60-300.5(a)); (vi) FAR 52.222-36, Affirmative Action for Workers with Disabilities (Oct. 2010) (incorporating 29 U.S.C. § 793 and 41 C.F.R. §60-741.5(a)); (vii) FAR 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec. 2010) (incorporating E.O. 13496); (viii) FAR 52.222-50, Combating Trafficking in Persons (Feb. 2009) (incorporating 22 U.S.C. 7104(g)); and (ix) FAR 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006). **To the extent not exempt, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status, or disability.** In addition, this contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. Within the framework of its commercial dealings with Buyer, Seller is obliged to desist from all practices which may lead to penal liability due to fraud or embezzlement, insolvency crimes, crimes in violation of competition, guaranteeing advantages, bribery, acceptance of bribes or other corruption crimes on the part of persons employed by Seller or other third parties. In the event of violation of the above, Buyer has the right to immediately withdraw from or terminate all legal transactions existing with Seller and the right to cancel all negotiations. The above notwithstanding, Seller is obliged to adhere to all laws and regulations applicable to both itself and the commercial relationship with Buyer.

7. COMPLIANCE WITH TRADE LAWS AND REGULATIONS - Seller is required to notify Buyer in writing of any materials, subcomponents or components sold to Buyer or consumed by Seller to produce goods to fill this order that Seller purchases in a country other than the country in which the goods are provided to Buyer. Seller is further required to notify Buyer in writing in advance of relocating the sourcing or production of goods sold to Buyer or consumed by Seller to produce goods to fill this order. Where Buyer is the importer of record, Seller will furnish Buyer with any documentation necessary to establish the country of origin, appropriate value for Customs' clearance, Buyer part number and part description, as well as documentation and certifications, including partner government agency reporting requirements (FDA, FCC, DOT, etc.) in the country of destination necessary for expeditious Customs clearance. Where Seller is the importer of record, Seller will furnish all documentation, evidence and certifications required by the Customs agency in the country of destination timely to expedite shipment clearance. Seller will promptly advise Buyer of any material or components imported into the country of origin and any duty included in the purchase price of the goods. The rights to and benefits of any duty drawback, including rights developed by substitution and rights which may be acquired from Seller's suppliers and export credits to the extent transferable to Buyer, are the property of Buyer. Seller will provide all documentation and take any necessary steps to drawback any duty, taxes or fees paid to, and to receive export credits from, the government of the country of origin upon exportation of the goods from such country. Seller will provide Buyer, or the appropriate governmental authority all documentation and information required by law or regulation to determine the minimum duty to be paid upon the importation of the goods into any country or to obtain any refunds or drawbacks of duties paid. Seller warrants that the information regarding the import or export of the goods supplied to Buyer is true and correct and that all sales covered by this order will be made at not less than fair value under the anti-dumping laws of the countries to which the goods are exported. Please see Supplier's Guide to Trade Compliance & Supply Chain Security (Trade Compliance Guide) for further information on subjects addressed in this Section 7. The Trade Compliance Guide describes Buyer's requirements and expectations of Sellers for complying with the customs regulations (import/export), document requirements (free trade agreements) and supply chain security criteria of the countries to which Sellers ship materials, parts and products to them in North America. This Trade Compliance Guide is referenced by link in the Doing Business guide.

7.1 FORCED LABOR - Buyer prohibits all forms of Forced Labor in its supply chain and will reject any shipment containing goods that involve the use of Forced Labor. Seller confirms that no form of Forced Labor was involved at any processing stage, directly or indirectly, e.g., in the sourcing, mining, production or manufacture in whole or in part, of any goods sold to Buyer. "Forced Labor" includes any form of child, prison, indentured, bonded, coerced or involuntary labor or labor obtained through human trafficking or other forms of exploitation as well as situations where any of the indicators provided by the International Labor Organization (www.ilo.org) exist.

- a. Seller agrees that it will comply with all U.S. laws and regulations applicable to importing goods into the U.S. including: maintaining all required documentation and certifications to meet admissibility requirements; responding completely and substantively to all inquiries for information submitted by U.S. Customs & Border Protection ("CBP") to ascertain whether the goods were sourced/mined, produced, or manufactured wholly or in part by forced labor; and as required, providing on a timely basis documentation that, by clear and convincing evidence, demonstrates the goods it sells to Buyer were not sourced/mined, produced, or manufactured wholly or in part by Forced Labor. If Seller fails to comply with the foregoing sentence, Buyer may, at its election and in its sole discretion, immediately terminate or suspend all contracts with Seller, without penalty or cost to Buyer.
- b. Seller agrees to indemnify Buyer against any and all fines, penalties, damages, costs and expenses incurred by Buyer, including legal fees, should any of Seller's shipments be detained, seized or, in the alternative, returned either to Seller or to another destination based on a failure of Seller to comply with this Section 7.1.
- c. If Seller identifies Forced Labor conditions in its supply chain, it will immediately begin remediation and will communicate its progress to Buyer on at least a weekly basis, but more frequently if requested by Buyer. In the event Supplier cannot or does not remediate the situation in a timely manner, as determined by Buyer, Buyer may, at its election and in its sole discretion, immediately terminate or suspend all contracts with Seller, without cost or penalty to Buyer. Referencing Paragraph 7, Seller's advance notice must include Seller's certification that it has conducted its supply chain due diligence and its attestation that no form of forced labor is involved at any processing stage, directly or indirectly, i.e., in the mining, production or manufacture in whole or in part, of any goods sold to Buyer resulting from that relocation. Buyer will take Seller's compliance with this requirement into consideration in the event forced labor remediation is subsequently required.

7.2 SUPPLY CHAIN SECURITY

- a. **CUSTOMS - TRADE PARTNERSHIP AGAINST TERRORISM** - Buyer participates in and supports the U.S. Customs and Border Protection (CBP) Customs-Trade Partnership Against Terrorism (C-TPAT) program. This program is designed to protect the supply chain from the introduction of hazardous or prohibited contents in shipments to the United States or to any of Buyer's facility, sub-tier supplier, or customer, wherever located. Shipments through U.S. importers, from manufacturers in foreign countries, and through U.S. brokers, freight forwarders, and/or carriers should be with certified and validated C-TPAT transportation companies unless otherwise approved by Buyer. Information about C-TPAT may be found at www.cbp.gov. Seller is expected to comply with the requirements of the C-TPAT initiative, whether or not a participant, and will provide Buyer with necessary documentation through Buyer's web-based C-TPAT Secure system supporting compliance upon request of Buyer. Seller will provide this document to the Buyer in the manner requested by the Buyer. Failure to comply will automatically rate the Seller's supply chain security level as "High Risk".
- b. **AUTHORIZED ECONOMIC OPERATOR**- Buyer's Affiliate, Daimler Vehículos Comerciales México, S. de R.L. de C.V. (DVCM), participates in and supports Mexico's Authorized Economic Operator (AEO) Supply Chain Security Program. The AEO Program contains eleven (11) minimum standards. DVCM and other AEO certified companies must ensure their compliance with these standards. The standards are strategic and directly relate to Seller's supply chain security compliance. DDC and/or DVCM will conduct periodic reviews of Mexico - based Seller's processes and facilities based on risk and/or request a copy of Seller's program approval certificate, or other certification letter or documentation signed by Seller's legal representative confirming that the Mexico-based Seller complies with the minimum requirements of the AEO certification in all of DDC shipments.
- c. **SUPPLY CHAIN RESILIENCE, SUSTAINABILITY AND SECURITY** - Buyer shall continuously strive to ensure its supply chain is resilient, sustainable, and secure. Seller shall collaborate with Buyer by

(1) engaging in mapping, through Buyer's supply chain mapping system, Seller's supply chain of raw materials, components and subcomponents used to manufacture parts it produces and/or purchases and sells to Buyer for use in producing Buyer's vehicles and for aftermarket vehicle services. Supply chain mapping will include, but not be limited to, cooperating with Buyer in validating Seller's supply chain from tier one through tier N and any remediation as may be required under part c of Section 7.1; and

(2) inputting Seller's material data sheets into IMDS (International Material Data System). Seller will ensure material data sheets comply with IMDS indicated regulatory requirements that are flagged within IMDS. Seller will ensure that relevant information is provided to the Buyer for any materials flagged in IMDS.

- 7.3 FREE TRADE AGREEMENTS AND TARIFF PREFERENCE PROGRAMS (Trade Programs)** – Through Buyer’s web based solicitation system, Seller must provide Buyer product country of origin information under various Trade Programs, e.g., the USMCA/CUSMA/T-MEC (hereafter USMCA), US - Chile Free Trade Agreement, US - Australia Free Trade Agreement, U.S. Colombia Free Trade Agreement, Dominican Republic-Central America Buy America, General System of Preferences or other relevant, existing or future trade agreements or tariff preference programs. If required by Buyer, based on the origin of the product under the relevant rules of origin, Seller will complete and deliver to Buyer a certificate of origin or affidavit, including accumulation and labor value content as appropriate to Seller’s production location and the relevant Trade Program, and any other information necessary to enable Buyer to satisfy Buyer’s obligations in utilizing such Trade Programs. Seller must continuously monitor Seller’s materials sourcing, bills of material, and/or formulations for changes that might affect the validity of any origin determination or certificate of origin provided to Buyer as required by such Trade Programs. If any such change affects origin information or a certificate of origin provided to Buyer, Seller must immediately notify Buyer in writing within the time allotted by the relevant Trade Program. Seller further agrees to comply with recordkeeping requirements under the applicable Trade Program. It is important that reasonable care be demonstrated in the preparation of these documents. The reasonable care standard became law on January 1, 1994, and places additional burdens and requirements on the public sector that deals with CBP, whether directly or indirectly.
- 7.4 IMPORTER SECURITY FILING (ISF) REQUIREMENTS FOR OCEAN IMPORTS INTO USA** – CBP requires an ISF to be filed for all shipments traveling to the U.S. via Ocean Carrier. Sellers must provide all ISF filing data elements to Buyer’s ISF filer at least 48 hours prior to loading vessel at origin by e-mailing: DaimlerCHB.PDX@expeditors.com. Failure to do so may result in a NO-LOAD ORDER and/or substantial penalties per occurrence. If the ISF information is not supplied within the timeframe required or is not supplied accurately and correctly, then additional expenses incurred due to fines and/or no-load mandates (storage, demurrage, etc.) and delays in the Supply Chain, will be at Seller’s expense. Penalties and additional costs resulting from changes in mode of transportation or storage charges due to Seller’s failure to provide ISF data elements timely and accurately will also be at Seller’s expense. Buyer expects that all ocean shipments will arrive on schedule and that there will be no cause for production or service delays due to failure to comply with the ISF regulations.
- 7.5 EXPORT RELATED REQUIREMENTS** - a. Export Compliance. Performance of this Purchase Order may involve the use of or access to articles, technical data or software that is subject to export controls under 22 United States Code 2778-2794 (Arms Export Control Act) and 22 Code of Federal Regulations 120-130 (International Traffic in Arms Regulations), 50 United States Code 2401-2420 (Export Administration Act) and 15 Code of Federal Regulations 730-774 (Export Administration Regulations), Foreign Assets Control Regulations (FACR), 31 CFR, Parts 500-599, and their successor and supplemental laws and regulations (collectively hereinafter referred to as the "Export Laws and Regulations"). Seller shall comply with all applicable Export Laws and Regulations, and any license(s) issued thereunder. b. Foreign Persons. Seller shall not give any Foreign Person (as that term is defined in the Export Laws and Regulations) access to technical data or software as those terms are defined in the applicable Export Laws and Regulations without the prior written consent of Buyer and obtaining any applicable U.S. government license in advance. Any request for such consent must state the intended recipient's citizenship(s), and status under 8 U.S.C. 1101 and 8 U.S.C. 1324 (the "Immigration and Naturalization Act"), and such other information as Buyer may reasonably request. No consent granted by Buyer in response to Seller's request under this paragraph b shall relieve it of its obligations to comply with the provisions of paragraph a, nor constitute consent for Seller to violate any provision of the Export Laws and Regulations. c. Indemnification. Seller shall indemnify and save harmless Buyer from and against any and all damages, liabilities, penalties, fines, costs, and expenses, including attorneys' fees, arising out of claims, suit, allegations or charges of Seller's failure to comply with the provisions of the Export Laws and Regulations and breach of the warranty in paragraph a. Any failure of Seller to comply with the requirements or any breach of the warranty contained in paragraph a. shall be a material breach of this agreement. d. Export Restriction. Seller shall notify Buyer if any deliverable under this purchase order is restricted by export control laws or regulations. e. Denied Party List. Seller shall immediately notify Buyer if Seller or any of Seller’s subcontractors is or becomes listed on any Denied Parties List, or if Seller or any of its subcontractors’ export privileges are restricted in any manner by any governmental agency. f. Seller represents that it is registered under ITAR, as applicable.
- 8. ELECTRONIC DATA INTERCHANGE** - Seller will use commercially reasonable efforts to implement electronic data interchange or another electronic procurement system determined by Buyer for order processing and invoicing. All transactions shall be in accordance with Buyer’s Implementation Guide (IG) for Electronic Data Interchange (EDI) or other electronic procurement system. Implementation of electronic data interchange and transactions by Seller will be at Seller’s expense.
- 9. ENFORCEMENT; SEVERABILITY** - Buyer’s failure to enforce any provisions of this purchase order or any other right or option available to it will not be construed as a waiver of such provisions, rights, or options or in any way to affect the validity of this purchase order. In the event that any one or more of the provisions are for any reason held invalid or unenforceable in any respect, that does not affect any other provision of this purchase order and the remaining provisions will remain in full force and effect.
- 10. GOVERNING LAW; JURISDICTION** - This order is to be governed by and construed under the laws of the State of Buyer’s business address as shown on this order. As permitted by Article 6 of the Convention on Contracts for the International Sale of Goods, Buyer and Seller agree that this purchase order is not governed by the Convention on Contracts for the International Sale of Goods. Any action or proceedings by Buyer against Seller may be brought by Buyer in any court having jurisdiction over Seller or, at Buyer’s option, in a court having jurisdiction over Buyer’s location, in which event Seller consents to jurisdiction and service of process in accordance with applicable procedures. Any actions or proceedings by Seller against Buyer may be brought by Seller only in a court having jurisdiction over the location of Buyer from which this contract is issued.
- 11. HAZARDOUS SUBSTANCES; LABELS** - Seller will notify Buyer in writing upon receipt of this purchase order if the products are subject to laws or regulations relating to hazardous or toxic substances or products governed by the Toxic Substances Control Act hazardous waste disposal, or to any other environmental or safety and health regulations. Seller will furnish all appropriate shipping certification and instructions for shipping, safety, handling, exposure, and disposal (including without limitation material data safety sheets) in a form understandable by Buyer’s non-technical personnel and in enough detail to identify all action that the user must take concerning the material. All labels must conform to the ANSI Z535 standard for product safety labels or another standard acceptable to Buyer.
- 12. INDEMNITY; WORK ON BUYERS PREMISES** - SELLER AGREES TO INDEMNIFY AND SAVE HARMLESS BUYER, ITS AGENTS AND CUSTOMERS AND THE USERS OF ANY GOODS OR SERVICES COVERED BY THIS ORDER FROM ANY AND ALL LIABILITY, LOSS, DAMAGE, OR EXPENSE WHICH MAY BE INCURRED BY ANY OF THEM, INCLUDING WITHOUT LIMITATION ATTORNEY FEES AND COSTS, ARISING OUT OF, OR IN CONNECTION WITH, OR RELATED TO ANY CLAIM OF DEFECT IN THE DESIGN, MATERIALS, MANUFACTURE OR SALE OF SUCH GOODS OR SERVICES, OR IN ANY WAY RELATED TO SELLER’S PERFORMANCE OF ITS OBLIGATIONS UNDER THIS ORDER. If Seller performs any work on Buyer’s premises or uses Buyer’s property either on or off Buyer’s premises, Seller shall take all necessary precautions to prevent the occurrence of any injury to person or property during the performance of such work. Seller shall indemnify and protect Buyer against all liabilities, claims, or demands for injuries or damage to any person or property arising out of the performance of work on or use of Buyer’s property, including without limitation attorney fees and costs.

13. **INSURANCE** - Seller will provide worker's compensation, comprehensive general liability, automobile, public liability, and property damage insurance in amounts and coverages sufficient to cover all claims hereunder. Such policies will name Buyer as an additional insured and contain endorsements stating that the policies are primary and not excess over or contributory with any other valid, applicable, and collectible insurance in force for Buyer. Buyer may require Seller to furnish evidence of the foregoing insurance but failure to comply with these insurance requirements will not relieve Seller of its liability and obligation under this clause.
14. **INTELLECTUAL PROPERTY** - Seller warrants that the goods or services sold will not infringe any U.S. or foreign patent and/or any third party intellectual property right, and Seller will, at its expense, defend, indemnify and save Buyer harmless from and against any loss, damage, expense or liability, including attorney fees and costs, that results from any infringement or alleged infringement. Seller expressly waives any claim against Buyer that an infringement arose out of compliance with Buyer's specification. If any of the goods or services furnished to Buyer become the subject of an alleged infringement of a patent or third party intellectual property right, Seller shall, at its expense, either procure for Buyer the right to continue using the goods or services; replace or modify them so that they are non-infringing; or refund Buyer's full purchase price. Seller agrees that Buyer or Buyer's subcontractor has the right to repair, reconstruct, or rebuild goods delivered under this contract without payment of any royalty to Seller. Seller agrees that parts manufactured based on Buyer's drawings and/or specifications may not be used for Seller's own use or sold to third parties without Buyer's express written authorization.
15. **INVOICING; PAYMENT** - Seller agrees to promptly render a complete and correct electronic invoice to Buyer after delivery of the goods or the performance of services, and to accept payment in cash or its equivalent. Buyer may implement and pay Seller based on Evaluated Receipt Settlement (ERS). Seller's Shipment IDentification number (SID) and Purchase Order number must be on each invoice submitted to Buyer and must be clearly identified as such. Time for payment and the period for cash discount privileges shall not begin to run until a proper invoice is received or generated for ERS. Buyer may withhold payment until proof of the absence of any liens or encumbrances on the goods is given to Buyer's satisfaction.
16. **LABOR DISPUTES** - Seller will notify Buyer immediately of any actual or potential labor dispute that is delaying or threatens to delay timely performance of this order. Seller will notify Buyer in writing 6 months in advance of the expiration of any current labor contract. At least 10 days before a labor contract expires, Seller will establish, at its expense, a 40 working day supply of goods in a neutral warehouse site to be located in the United States at least fifty 50 miles from Seller's manufacturing locations.
17. **PACKING; MARKING; SHIPPING** - Shipments shall be routed in accordance with Buyer's instructions, and Seller agrees to reimburse Buyer for all expense incurred by Buyer as a result of improper packing, marking or routing. Buyer's purchase order and line number, part number, and Seller's SID will appear on each package and bill of lading. Seller shall transmit accurate advanced shipment notices (ASN) not later than thirty (30) minutes after shipment leaves the Seller's facility. For ERS, package labeling should include bar code format agreed upon by both parties. Seller will promptly forward the original bill of lading or other shipping receipt for each shipment in accordance with Buyer's instructions. Buyer may specify the carrier and/or method of transportation and Seller will process shipping documents and route shipments of the goods from the FOB point accordingly. Goods for two or more of Buyer's locations will be shipped in separate packages for the different locations. Buyer may from time to time change shipping schedules previously furnished Seller, or direct temporary suspension of scheduled shipments. Buyer's count will be accepted as final on all shipments. Shipments in excess of those authorized may be returned to Seller, and Seller shall pay the transportation charges both ways for such shipments. Seller is responsible for the goods until delivery at the designated FOB point. Unless otherwise expressly agreed to in writing by Buyer, no charge shall be made for containers, crating, boxing, bundling, dunnage, drayage, or storage. Buyer will not be responsible for delays in the payment of invoices if these requirements are not met.
18. **PATTERNS, TOOLS AND DIES** - All patterns, tools, dies, or other material furnished by Buyer to Seller, or which are specifically paid for by Buyer, and any replacement thereof, or anything affixed or attached thereto, shall be and remain Buyer's personal property. Such property, if it can reasonably be done, shall be plainly marked or otherwise adequately identified by Seller as property of Buyer, and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for such and shall not use such property except for filling Buyer's order. While in Seller's custody or control, such property shall be held at Seller's risk, maintained in accordance with good commercial practice, and subject to removal at Buyer's request. Except for reasonable wear and tear, Seller shall be responsible for, and shall promptly notify Buyer of, any loss or damage. Seller will keep such tooling or property in its possession and/or control fully covered by insurance, free of liens and encumbrances and will replace such tooling or property when lost, damaged or destroyed. Buyer shall have the right to enter Seller's premises at all reasonable times to inspect such property and Seller's records with respect thereto. All requests for reimbursement for tooling costs are subject to review, approval and audit by Buyer.
19. **PERFORMANCE; DELAYS** - Timely delivery is essential; however, neither party shall be liable to the other for any delay or failure to perform where such delay or failure is caused by events beyond the reasonable control of the affected party. The foregoing shall be subject to the affected party giving reasonable notice to the other party. When deliveries are specified to be in accordance with Buyer's written releases, Seller will not fabricate or assemble any goods except to the extent authorized by the written releases or to the minimum delivery quantities in this purchase order. Buyer may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Seller to a modification of the price for goods or services covered by this contract. Where quantities and/or delivery schedules are not specified, Seller shall deliver goods in such quantities and times as Buyer may direct in subsequent releases. Seller agrees not to give any other customer of Seller any priority over Buyer in the allocation of Seller's production. In the event of delay or failure to perform by Seller, Buyer may give written notice to Seller of either termination of the purchase order or rejection of any partial or future performance. All damages suffered by Buyer and any premium transportation or other costs required to meet the specified delivery schedule will be at the expense of Seller.
20. **PUBLICITY** - The parties may use their business relationship for advertising purposes only with the prior written consent of the other party. Seller will not place its or any third party's trademark or designation on a part if it bears a trademark of Buyer or its affiliate, an identifying mark specified by Buyer, or if the part is based on Buyer's design. Seller will sell such marked parts only to Buyer and will not sell them to third parties without Buyer's prior written consent.
21. **QUALITY; INSPECTION** - Buyer may inspect and evaluate all goods (including all tooling and material used in their manufacture), and all services at times and places designated by Buyer. Seller will provide and maintain a quality assurance system approved by Buyer and which meets Buyer's written specifications. Buyer has the right to enter Seller's facility at reasonable times to inspect the facility, goods and materials relating to this purchase order, and any inspection will not constitute acceptance or affect Buyer's rights.

- 22. RECALL / REPAIR CAMPAIGN** - If Seller's products or services create or contribute to a vehicle or component repair campaign or safety recall due to a vehicle or component defect, or non-compliance with the National Traffic and Motor Vehicle Safety Act, as revised, Seller shall pay the cost of repair or recall and correction, including labor and administrative costs, based upon Seller's proportionate responsibility for the defect or non-compliance. Seller will notify Buyer of and involve Buyer immediately in any investigation that may be safety related on any product supplied to Buyer. Either Buyer or Seller in its sole discretion may notify the National Highway Traffic Safety Administration of a safety or noncompliance issue and/or initiate a recall as per 49 CFR 573. Seller will notify buyer within 2 days of Seller's official decision to initiate a safety recall. This section does not limit Seller's liability under other provisions of this purchase order. Seller agrees to comply with all requirements of the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act and its implementing regulations 49 CFR 579. At its own expense, Seller will provide information in such detail and according to a schedule specified by Buyer to enable Buyer to fulfill its obligations under the TREAD Act. Seller will ensure that all of its suppliers are aware of reporting requirements under both the National Vehicle Safety Act and Tread Act (49 CFR 573 and 49 CFR 579). Seller will monitor warranty data or other such sources of information for potential safety defects and inform Buyer when potential risks are identified.
- 23. RELATIONSHIP** - Neither Seller nor its subcontractors, or the employees or agents of any of them, shall be deemed to be Buyer's employees, or agents. Seller and its subcontractors are independent contractors and Seller shall be wholly responsible for withholding or payment of all federal, state and local income and other payroll taxes with respect to its employees, including contributions from them and as required by law.
- 24. REMANUFACTURING** - Buyer shall have the exclusive right to remanufacture the goods. If Buyer elects to remanufacture the goods, Seller will grant a royalty-free, non-exclusive, non-transferable license to use Seller's technical information and supply sources to remanufacture the goods. Seller agrees to sell component parts to Buyer needed to remanufacture the goods at production pricing.
- 25. REMEDIES; WAIVER; APPROVAL** - The rights and remedies reserved in this order to Buyer are cumulative and in addition to any other or further rights and remedies available at law or in equity. Without limiting the foregoing, if any goods fail to conform to the warranties provided by Seller, Buyer shall notify Seller and Seller shall, if requested by Buyer, reimburse Buyer for any incidental and consequential damages caused by the nonconforming goods, including costs, expenses and losses incurred by Buyer (a) in inspecting, sorting, repairing or replacing nonconforming goods; (b) resulting from production interruptions, (c) conducting recall campaigns or other corrective service actions, and (d) claims for personal injury (including death) or property damage caused by such nonconforming goods. No waiver of any breach of any provision of this order will constitute a waiver of any other breach or a waiver of such provision. Buyer's approval of documents shall not relieve Seller from complying with any requirements of this order. Seller acknowledges that its goods are unique and not readily available to Buyer from any other source. Any interruption in supply to Buyer will diminish the value of Buyer's business, disrupt its relationship with its customers, and cause irreparable harm. Accordingly, Seller agrees that if Seller breaches its obligations hereunder, Buyer shall be entitled to all available equitable and legal remedies, including without limitation immediate injunctive relief.
- 26. TAXES** - Buyer will not pay Seller any state or local sales, use, or similar tax unless Seller is required by law to collect such taxes from Buyer. Federal excise taxes charged to Buyer will be separately stated or indicated as being included in the unit price. Seller agrees that no tax for which an exemption exists will be included in the price and will not be subsequently charged. Seller agrees to pay any and all personal property and/or ad valorem taxes assessed or levied against any property placed with Seller by Buyer for the purpose of fulfilling this purchase order.
- 27. TERMINATION** - If Seller (i) fails to deliver goods or perform services at the time specified, or (ii) fails to perform, repudiates or breaches any of the terms of this agreement, including Seller's warranties, and does not cure such breach within a period of 10 days after receiving written notice from Buyer specifying the breach, or (iii) becomes insolvent, makes an assignment in favor of creditors, or enters bankruptcy or dissolution procedures, Buyer may cancel the whole or any part of this order or applicable supply agreement without any liability, except for payment due for goods and services delivered and accepted. Upon such termination and written notice to Seller, Buyer will have the right to take title to and possession of all or any part of such work performed by Seller under this order. In addition, Buyer at its option may terminate all or a part of the work under this purchase order or other applicable supply agreement at any time, and Buyer shall have no liability with respect to goods or components procured, or work done, or supplies partially fabricated, in excess of authority contained in this order or in any shipment release issued to Seller pursuant hereto. In no event shall Buyer be liable for prospective or anticipated profits by reason of any termination. All terms, conditions and provisions of this purchase order shall survive cancellation or termination of all or any portion hereof.
- 28. USE AND PROTECTION OF INFORMATION** - The specifications, drawings, designs, manufacturing data and other information transmitted to Seller by Buyer in connection with the performance of this order are the property of Buyer and may be covered by one or more patents, patent applications or copyrights. Seller will handle all of this information in such a manner that it is kept confidential and is not used for any purpose detrimental to the interests of Buyer. Seller will secure written approval from Buyer before any of this information is released to anyone other than those requiring the information for the performance of work under this purchase order. The information will be returned promptly to Buyer upon request.
- 29. WARRANTY** - Seller warrants that all goods and services covered by this order conform to the specifications, drawings, samples or other description upon which this order is based, shall be fit and sufficient for the purpose intended, merchantable, of good material and workmanship and free from defect. This warranty runs to Buyer, its customers and users of its products. Seller agrees to promptly replace or correct defects of any goods or services not conforming to the foregoing warranty, without expense to Buyer, when notified of such nonconformity by Buyer. If Seller fails to promptly correct defects in or replace nonconforming goods, Buyer may make such corrections or replace such goods and services at Seller's expense or return them for credit or refund. In addition to other remedies, Buyer may reject nonconforming goods and return them to Seller at Seller's expense. Nonconforming goods may not be replaced without Buyer's written authorization.