

Terms and Conditions of Purchase

Dura Automotive Systems, LLC

Global Automotive Systems, LLC

Effective June 1, 2018

1. The Contract.

1.1 Offer and Acceptance. Each purchase order that Dura Automotive Systems, LLC or Global Automotive Systems, LLC, or any of their respective subsidiaries (“Buyer”), issues (each, an “Order”) is Buyer's offer to purchase products (the “Products”) or services (the “Services”) from Seller. When Seller accepts an Order, either by acknowledgement, commencement of performance, or by delivery of the Products and Services ordered, the Order will become a binding contract together with these General Terms and Conditions (“General Terms”) and any other documents specifically incorporated into the Order or separately agreed to in writing (collectively, the “Contract”).

Seller will be deemed to have accepted an Order as issued (1) if Seller fails to object to it in writing within 10 business days after receipt and has begun, or later begins, performance under the Order, or (2) if Seller acknowledges in writing its acceptance of the Order. If Seller objects to an Order within 10 days, the Order will become a Contract only if and when Buyer and Seller mutually agree in writing, or Seller commences or continues performance under the Order.

THE CONTRACT IS LIMITED TO THE TERMS AND CONDITIONS SPECIFIED IN THIS DOCUMENT AND ANY ATTACHMENTS ACCEPTED OR PROVIDED BY BUYER. BUYER DOES NOT AGREE TO ANY PROPOSED ADDITION, ALTERATION OR DELETION BY SELLER. THESE TERMS AND CONDITIONS CAN BE VARIED ONLY BY A WRITING SIGNED BY BUYER. ANY OTHER STATEMENT OR WRITING OF SELLER MAY NOT ALTER, ADD TO, OR OTHERWISE AFFECT THESE TERMS AND CONDITIONS.

1.2 Changes.

(a) Buyer may, by notice to Seller, make reasonable changes, within the scope of the Contract, to the drawings, specifications, materials, packaging, testing, quantity, time or method of delivery or shipment, or similar requirements prescribed in the Contract.

(b) Seller will not make any change to the Products, Services or Seller’s suppliers except at Buyer's written instruction or with Buyer's written approval. If Seller learns of a possible change to the Products or Services that may reduce costs, improve quality, or otherwise be beneficial to Buyer, Seller will inform Buyer of the possible change.

(c) For any change to Products or Services made or approved by Buyer, the parties will agree upon an equitable price adjustment, a change in shipping or delivery terms, or other appropriate adjustment to the Contract as a result of the change. Any claim by Seller for a justifiable price adjustment based on costs resulting from a change must be made in writing within ten (10) days from the date Buyer notifies Seller of a change and must be accompanied by supporting documentation that is, in Buyer's reasonable judgment, appropriate and adequate. Nothing in this section, including any disagreement with Buyer as to any equitable adjustment, will excuse Seller from proceeding with the Contract as changed. Contract changes must be in writing signed by Buyer's authorized representative, and Buyer will not unreasonably withhold or delay consent to a Contract change proposed by Seller.

2. Products and Services.

2.1 Quantity. Unless the Order (or a separate written agreement executed by Buyer's authorized representative) requires Seller to manufacture, ship, or provide only a specified quantity of Products, the Contract is a requirements contract under which Seller is required to supply Buyer's requirements of the Products. Buyer's requirements are determined by the needs of its customer, and market, economic, or other related conditions. If quantities or delivery schedules are not specified in the Contract, they will be as stated in Buyer's firm releases issued to Seller from time to time. Buyer may return over-shipments to Seller at Seller's expense. Buyer may change the rate or timing of scheduled shipments of the Products, or direct temporary suspension of scheduled shipments, in its reasonable discretion, neither of which entitles Seller to modify the price for Products. Buyer may list multiple Products on one Order for its convenience, and in such case Buyer's requirements for production, shipping, inspection and acceptance will apply to each individual Product, as though each individual Product were submitted in its own Order, unless the Buyer directs otherwise.

2.2 Volume Projections. Buyer may provide Seller with forecasts or projections of its anticipated future requirements for Products ("Forecasts"). All Forecasts are for informational purposes only, are not stated estimates for requirements contracts, do not express Buyer's intent to purchase any minimum of Products, and are not a commitment by Buyer to purchase any particular quantity of Products.

2.3 Current-Model Service Requirements. During the term of a Contract, Seller will make Products covered by the Contract available to Buyer for Buyer's current-model service requirements at the then-current production prices under the Contract plus any additional actual costs for special packaging, shipping and handling, and other related services.

2.4 Past-Model Service Requirements. Seller will sell Products to Buyer to fulfill its past model service and replacement requirements for the longer of (i) the 10 year period after Buyer

completes current model purchases and production or (ii) for such other period as Buyer is required by its customer to provide service or replacement parts incorporating the Products. Unless otherwise agreed to by Buyer, the price(s) during the first 5 years of this period will be those in effect at the conclusion of current model purchases, plus any actual and documented costs for special packaging, shipping or handling. For the remainder of this period, the prices(s) for Products will be as agreed to by the parties.

3. Delivery.

3.1 Packing and Shipment. Buyer may specify the method of transportation and the type and number of packing slips and other documents to be provided with each shipment. Seller will pack and ship Products in accordance with Buyer's instructions, including labeling and hazardous materials instructions. If Buyer has not provided packing or shipping instructions, Seller will pack and ship Products in accordance with sound commercial practices. If Seller is required to use Buyer's returnable packaging, Seller will be responsible for cleaning and returning the returnable packaging. If returnable packaging is not available, Seller may use expendable packaging and Buyer will reimburse Seller for the reasonable costs of expendable packaging. In order to be reimbursed for use of expendable packaging, Seller must first provide Buyer with notice of Seller's need for expendable packaging, the quantity and price of packaging that Seller proposes to purchase, and provide Buyer has the opportunity to review or approve the packaging need and cost.

3.2 Delivery Schedules. Time is of the essence, and Seller will deliver Products, and provide Services, in strict accordance with the Contract terms. Unless otherwise stated in the Contract, Products will be delivered FOB Destination, freight collect and title will transfer to Buyer upon receipt of the Products.

If Products are not delivered or Services are not performed by the agreed time, then all resulting damages suffered by Buyer including the cost of expedited transportation, special transportation, or other direct damages incurred by Buyer, including Buyer's efforts to mitigate damages resulting from late delivery or performance, will be Seller's responsibility. Buyer may change the timing of scheduled shipments or direct temporary suspension of scheduled shipments without entitling Seller to a price adjustment or other compensation. Specific quantities and delivery dates will be identified on the face of the Order or in firm releases issued by Buyer.

4. Inspection. Upon reasonable advance notice to Seller, Buyer may inspect all aspects of Seller's operations involved in supplying Products and Services, including Seller's facilities, equipment, production processes and property and, subject to Seller's prior written approval, conduct testing at Seller's premises for the sole purpose of verifying Seller's performance under

the Contract. Buyer is not required to inspect Products delivered or Services performed, and no inspection or failure to inspect will reduce or alter Seller's obligations under the Contract.

5. Taxes. Unless otherwise stated in the Contract, the Contract price includes all applicable federal, state, provincial, and local taxes other than sales, value added, or similar turnover taxes or charges. Seller will separately invoice Buyer for any sales, value added, or similar turnover taxes or charges that Seller is required by law to pay or collect from Buyer.

6. Payment.

6.1 Price. Payment terms and prices are as set forth in the Order. Unless otherwise stated in the Contract, the purchase price: (a) is a firm, fixed price for the duration of the Contract and not subject to increase for any reason, including increased raw material costs, increased labor or other manufacturing costs, increased development costs, or changes in volumes or program length from those estimated or expected, even if there is a requirements Contract; (b) is inclusive of all taxes as provided in Section 5 and any duties applicable to provision of the Products; and (c) is inclusive of all storage, handling, packaging and all other expenses and charges of Seller.

6.2 Invoices. Seller will promptly submit correct and complete invoices with appropriate supporting documentation and other information reasonably required by Buyer after delivery of Products and performance of Services. The payment period in the Order will not commence until Buyer has received a correct and complete invoice that meets all of Buyer's requirements. Seller will accept payment by check or other cash equivalent, including electronic funds transfer. Buyer will pay Seller in the currency specified in the Purchase Order or, if no currency is specified, in United States Dollars.

If an obligation to Seller is disputed, contingent or unliquidated, Buyer may defer payment of all or any portion of an amount due until the dispute or contingency is resolved or the obligation is liquidated. In the event of Seller's bankruptcy, if all of the contracts and agreements (including the Order) between Buyer and Seller have not been assumed (under applicable bankruptcy law), then Buyer may withhold payment to Seller for Products delivered prior to the bankruptcy (via administrative hold or otherwise) until the risk of potential rejection and other damages is eliminated.

6.3 Payment Terms. Unless otherwise stated in the Contract, Buyer will pay invoices for Products which are properly presented, and not subject to dispute, 60 days from the receipt of the Products with required support. If the payment date is not a business day, payment will be due the next business day thereafter.

6.4 **Best Price.** The Seller warrants that the prices for the Products sold to Buyer are no less favorable than those that the Seller currently extends to any other customer for the same or similar Products in similar quantities. If the Seller reduces its prices to third parties on the same or similar products during the term of the Order for the Products, the Seller will correspondingly reduce the prices charged to Buyer. Seller agrees to participate in Buyer's cost savings and productivity programs and initiatives and to implement Seller's own cost savings and productivity programs and initiatives to reduce Seller's costs.

6.5 **Set Off.** In addition to any right of setoff or recoupment provided by applicable law, all amounts due Seller will be considered net of indebtedness of Seller and its affiliates or subsidiaries (collectively the "Seller Parties") to Buyer and its affiliates or subsidiaries (collectively the "Buyer Parties"). Buyer may set off against or recoup from any payment or other obligation owed to one or more Seller Parties, in whole or in part, any amounts due to one or more Buyer Parties from Seller or another Seller Party. Buyer will provide Seller with a statement describing any offset or recoupment taken by Buyer.

6.6 **Payment Not Acceptance.** Payment for Products will not constitute acceptance of non-conforming Products, nor will it limit or affect any rights or remedies of Buyer.

7. Product Warranties.

7.1 Seller's Warranties.

(a) Seller warrants that Products and Services will:

(i) conform in all respects to the specifications, drawings, statements of work, samples, other descriptions, performance standards, performance requirements, and product characteristics furnished or specified by Buyer in the Contract or otherwise;

(ii) be merchantable;

(iii) be free from defects in materials and workmanship;

(iv) comply with all applicable laws, regulations, rules, codes and standards of the jurisdictions in which the Products, the Services, or the products containing the Products and Services are to be sold;

(v) not infringe, misappropriate, dilute, or otherwise violate the Intellectual Property Rights of any third party (i) in the manner so supplied, (ii) as contemplated by (a) the documents or specifications related to such Products or Services, or (b) the nature of the good so supplied, and (iii) as installed or situated in a vehicle;

- (vi) be transferred to Buyer with good title, free of all liens, encumbrances, and rights of third parties;
- (vii) be free from defects in design (to the extent designed by Seller);
- (viii) be fit and sufficient for the use and purposes intended by Buyer, including performance in the component, system, subsystem and vehicle location specified by the Buyer and the environment in which the Products and Services are (or reasonably may be) expected to perform;
- (ix) be competitive in terms of price, as well as technology, quality and delivery, with substantially similar Products and Services available to Buyer from other suppliers; and
- (x) for Services, Seller further warrants that its work will be performed in a professional and workmanlike manner, consistent with all standards and specifications agreed to with Buyer and otherwise consistent with industry standards.

These warranties are in addition to any warranties available under applicable law, express or implied.

(b) **Warranty Period.** The duration of Seller's warranties will begin upon the date that Products or Services are received by Buyer and end on the later of (i) the date upon which the duration of warranties offered by the Buyer's customer, into whose goods or services the Products or Services are incorporated, ends, or (ii) the date upon which any warranty required by applicable law ends. For Products used to fulfill current and past model service and replacement requirements, the duration of Seller's warranty period is be the greater of: 12 months from the date of delivery to Buyer's customer, or the remainder of the warranty period offered by Buyer to end-users for the products into which the Products are incorporated.

(c) **Future Performance.** All warranties of Seller extend to future performance of the Products or Services and are not modified, waived or discharged by delivery, inspection, tests, acceptance and payment. Buyer's approval of any design, drawing, material, process or specifications will not relieve Seller of these warranty obligations.

(d) **Application of Warranties.** The warranties set forth herein, and otherwise made, express or implied, by law or equity, extend to all Products and Services, and may not be disclaimed or otherwise limited in any way, notwithstanding the fact that such Products (in whole or in part) may be produced by any of Seller's own suppliers, including, without limitation, suppliers that are directed, recommended, or suggested by Buyer's customer.

(e) **Supplier Quality and Warranty Efforts.** Seller agrees to participate in Buyer's quality and development program(s) and to comply with all Buyer quality requirements and specified

procedures, as revised from time to time. Seller has already, or shall, implement a warranty management process that includes a method for warranty part analysis, including NTF (no trouble found). When requested by Buyer's customer, Seller shall use a process that complies with the Verband der Automobilindustrie e. V. (VDA) requirements for Field Failure Analysis (FFA), or the Automotive Industry Action Group (AIAG) CQI 14 or similar which includes an NTF process. Based on Buyer's assessment of responsibility, Seller may be held responsible for any and all costs associated with quality issue investigation, containment and remedial actions on account of Products provided by Seller. Seller is obligated to provide any and all reasonable support requested by Buyer to immediately address concerns regarding the quality of Products provided. Seller shall provide additional resources, as necessary and as identified by Buyer, to support product development, process development, validation, production launch, or any issue that may jeopardize the success of the manufacture or assembly of any Products or the program. Seller is responsible for all sub-tier providers of goods and services and must maintain adequate development, validation, launch and ongoing supervision to assure all Products provided to Buyer conform to all specifications, standards, drawings, samples and descriptions, including without limitation as to quality, performance, fit, form, function and appearance, under the Order.

7.2 Non-Conforming Products and Services.

(a) In addition to any rights or remedies Buyer has under the Contract or applicable law, including recovery of damages under Section 7.1, if any Products or Services fail to meet the requirements of the Contract, Buyer may, at its option and in its sole discretion: (i) reject the non-conforming Products or Services, (ii) at Seller's expense, Buyer may repair, rework or replace the non-conforming Products or Services, or otherwise remedy any non-conformity, (iii) require Seller, at Seller's risk and expense (including applicable shipping costs), to either repair, rework or replace the non-conforming Products or Services, or to otherwise remedy any non-conformity, or (iv) require Seller, at its risk and expense, to implement containment, inspection, sorting, and other quality assurance procedures. Seller's warranties will also apply to the repaired or replaced Products or Services.

(b) If Seller fails to repair or replace any defective or non-conforming Products or Services in a reasonable amount of time and a manner acceptable to Buyer, Buyer may, without limiting or affecting Buyer's other rights or remedies available under the Contract or applicable law, cancel all or part of the Contract including with respect to any particular Products or Services.

(c) Any payment made by Buyer for defective or non-conforming Products or Services will be refunded by Seller, except to the extent that Seller promptly replaces or corrects the same at Seller's expense.

(d) Buyer may enter into an agreement with Seller to address scrap allowances, treatment of non-conforming Products within a scrap allowance, and treatment of excess scrap, in Buyer's sole reasonable judgement. In the absence of any such scrap agreement, the provisions for repair, rework or replacement and payment set forth in this Section and the remainder of these Terms shall govern all issues regarding non-conforming Product.

7.3 Buyer Losses. Seller is liable for all direct, incidental and consequential damages, losses, costs, and expenses incurred by Buyer resulting from Seller's failure to deliver conforming and non-defective Products or Services or to comply with the shipping and delivery or other requirements of Buyer, even if the Seller has cured the failure. This includes but is not limited to compensating Buyer for:

- (a) any amounts charged by customer(s) to Buyer;
- (b) all costs of containment, sorting, repair, rework, replacement, cure, cover, or any other costs incurred by Buyer, determined in such manner and in such amount as reasonably determined by Buyer;
- (c) all costs of any recall campaign, corrective service action, or other voluntary or involuntary action in which Buyer or any customer is required to participate because of inclusion of Products in goods sold by Buyer; and
- (d) all attorneys' fees and related costs that Buyer incurs in having to enforce the Contract.

No limitations on Buyer's rights or remedies in any of Seller's documents will operate to reduce or exclude Seller's liability.

7.4 Corrective Action. Promptly upon learning of defective or non-conforming Products or Services, Seller will develop, document and implement corrective actions in accordance with all applicable quality control policies and standards of Buyer. Seller will immediately notify Buyer in writing when it becomes aware of any ingredient, component, design or defect in the Products that is or may become harmful to persons or property.

7.5 Recalls. This Section 7.5 applies to any voluntary or government-mandated offer by Buyer (or the applicable vehicle manufacturer) to the end users of the goods which incorporate the Products to remedy an alleged defect that affects motor vehicle safety or to address an alleged failure of a vehicle to comply with an applicable motor vehicle safety standard or guideline (a "Recall"). Buyer agrees to negotiate Seller's ultimate liability for Recall losses based on criteria from Buyer's Quality and Engineering divisions. However, Buyer's willingness to negotiate will in no way prevent Buyer from pursuing a claim against Seller for all Recall costs through litigation, arbitration or any other procedure under law or equity.

Buyer will (i) notify Seller as soon as practicable after Buyer learns that a Recall being considered implicates the Products, (ii) provide Seller with available performance evaluations, accident reports, engineering investigations, and other data relating to the potential Recall, (iii) provide Seller a reasonable opportunity to participate in inquiries and discussions among Buyer, its customer, and governmental agencies regarding the need for and scope of the Recall, and (iv) consult with Seller about cost-effective methods to modify or replace vehicle systems or component parts, including the Products, in order to remedy the alleged defect or non-compliance. Notwithstanding the foregoing, Seller will be liable for all losses that Buyer suffers arising out of a Recall.

8. Product Liability.

8.1 Indemnification. Seller will indemnify and hold harmless Buyer, its subsidiaries, affiliates, and their respective employees, officers, directors, agents or representatives, against third-party claims for injury or death to persons, property damage, economic loss, and any resulting damages, losses, costs, and expenses (including reasonable legal fees), regardless of whether the claim or demand arises under tort, contract, strict liability, or other legal theories, and regardless of whether Buyer contributed to the damages, if and to the extent caused by (a) Seller's defective design or manufacture of Products, (b) Seller's provision of Services to Buyer, (c) Seller's acts or omissions in its performance under the Contract, (d) Seller's breach of any representations or warranties; or (e) Seller's breach of, or non-performance under, the Contract.

8.2 Indemnification Procedure. Buyer will notify Seller promptly after Buyer becomes aware of the basis for a claim under this Section 8. The parties will cooperate with each other to determine the root cause of a defect in or failure of the Products (and related systems and components). However, Buyer's cooperation pursuant to this Section shall not limit Buyer's right to pursue a claim against Seller for full indemnification, as set forth in Section 8.1, through litigation, arbitration or any other procedure under law or equity.

Buyer has the right, but not the obligation, to control the defense of any such claim. If Buyer does not elect to control the defense, then Seller is obligated to do so. Seller may not settle any such claim that, directly or indirectly, prejudices any of Buyer's rights under this Contract or otherwise. Buyer may, in its sole discretion, settle or compromise any third-party claim that gives rise to an indemnification claim without Seller's prior written consent.

9. Compliance with Laws. Seller will comply with all applicable laws, rules and regulations of the country where the Products are manufactured or the Services are performed. Seller will provide Buyer with material safety data sheets regarding the Products and, upon Buyer's request, will provide Buyer with other information reasonably required in order to comply with

all applicable laws, which includes but is not limited to disclosures on the content and origins of such raw materials and substances, including conflict mineral disclosures.

10. Intellectual Property Rights.

10.1 Applicability and Definitions.

(a) This Section 10 will apply where Buyer and Seller have not entered into a separate written agreement with respect to the parties' Intellectual Property Rights that expressly prevails over the Contract, and is signed by their respective authorized representatives prior to or contemporaneous with the effective date of the Contract (defined below).

(b) "Background Intellectual Property Rights" means any Intellectual Property Rights of either Buyer or Seller relating to the Products or Services contracted (i) existing prior to the effective date of the Contract or prior to the date Buyer and Seller began any technical cooperation relating to the Products or Services contracted, whichever is earlier, or (ii) that each party acquires or develops after these dates, but in a strictly independent manner and not related to the work performed or the Products or Services provided under the Contract.

(c) "Embedded Software" is software that is embedded in the Products and performs operating or other functions, and includes related documentation. Embedded Software includes, for example, the embedded software in advance driver assist systems used to automate, adapt, or enhance vehicle systems for safety and better driving (ADAS), or in engine control modules used to perform, monitor or diagnose various engine or vehicle functions, or in light detection and ranging imaging and mapping systems used to generate spatial information about the shape and surface characteristics of an object (LiDAR).

(d) "Intellectual Property Rights" means any patent, patented articles, patent applications, designs, industrial designs, copyrights, software, source code, database rights, moral rights, improvements and inventions whether or not capable of protection by patent or registration, techniques, technical data, trade secrets, know-how, and any other proprietary right, whether registered or unregistered, including applications and registrations thereof, all related and continuing rights, and all similar or equivalent forms of protection anywhere in the world. Intellectual Property Rights excludes all brands, trademarks, trade names, slogans and logos of Seller and Buyer unless specifically identified as a deliverable or work product of Seller pursuant to the Contract.

(e) "Foreground Intellectual Property Rights" means any Intellectual Property Rights (except Background Intellectual Property Rights) that are developed in whole or in part by Buyer alone, by Buyer and Seller jointly or by Seller alone, in connection with the Contract and relating to the Products or Services.

10.2. Buyer's Intellectual Property. Buyer owns its Background Intellectual Property Rights and the Foreground Intellectual Property Rights which it develops under the Contract. Buyer does not transfer to Seller any Intellectual Property Rights of Buyer in information, documents, or property that Buyer makes available to Seller under the Contract, other than the limited right to use Buyer's Intellectual Property Rights to produce and supply Products and Services to Buyer under an Order and for no other purpose. Except as expressly stated in Section 15 (Assignment and Subcontracting), no other right or license is granted to Seller under this Agreement, and Buyer retains all right, title, and interest in and to its Intellectual Property Rights. For the avoidance of doubt, Buyer may assign any of its Intellectual Property Rights to any third party without any notice to Seller.

10.3. Seller's Intellectual Property.

(a) Seller agrees to and does hereby assign to Buyer the full right, title, and interest in and to all copyrights owned or controlled by Seller in the Products and Services provided to Buyer under the Contract. To the extent that any works of authorship (including, without limitation, software and computer programs) are created in the performance of Seller's obligations under the Contract, those works will be considered "works made for hire", and to the extent that those works do not qualify as "works made for hire", Seller agrees to and does hereby assign to Buyer all right, title, and interest in all copyrights and moral rights therein. Seller expressly waives, and disclaims, all rights of attribution and integrity in and to such works. To the extent any copyright in the Products and Services, or in any work of authorship (i.e. drawings, prints, manuals and specifications) provided by Supplier to Buyer in connection with the Contract, is not owned by Buyer, the Seller grants to Buyer an unrestricted, permanent, perpetual, irrevocable, fully paid-up, royalty-free, sublicensable without limitation, world-wide right and license, under each copyright Seller owns or controls or has the right to license in any work of authorship (other than Embedded Software) fixed in any tangible medium of expression delivered by the Seller under the Contract to access such work, use such work, reproduce such work, prepare derivative works, distribute copies of such work to the public, and to perform and display such work publicly, including access to and use of any tangible materials that support such rights.

(b) Foreground Intellectual Property Rights will be owned by Buyer and may not be used by Seller other than in performing this Contract. To the extent any such Foreground Intellectual Property Right is not owned by Buyer, Seller: (i) agrees to and does hereby assign to Buyer the full right, title, and interest in and to all such Foreground Intellectual Property Right; and (ii) will promptly disclose to Buyer, in form and manner acceptable to Buyer, all inventions and works of authorship covered by Foreground Intellectual Property Rights, and (iii) will cooperate in executing any documents and taking any actions necessary to patent, copyright, assign or

otherwise perfect and protect such inventions and works of authorship for the benefit of Buyer, including but not limited to causing Seller's employees, affiliates, or contractors to sign any papers necessary to enable Buyer to obtain full title to and to file applications for registration of same throughout the world.

(c) To the extent any Foreground Intellectual Property Rights in the Products and Services is not owned by Buyer, Seller agrees to and does hereby grant to Buyer a non-exclusive, unrestricted, permanent, perpetual, irrevocable, fully paid-up, royalty-free, sublicensable without limitation, world-wide right and license to use the Foreground Intellectual Property Rights. Seller acknowledges and understands that the foregoing license is effective from the first date of the contract and extended for so long as Buyer produces, maintains or repairs any Product that incorporates the license rights and includes use in service parts.

(d) Seller agrees to and does hereby grant to Buyer a non-exclusive, unrestricted, permanent, perpetual, irrevocable, fully paid-up, royalty-free, sublicensable without limitation, world-wide right and license to use any Background Intellectual Property Rights of Seller or its affiliates that are incorporated into the design, used to make the Products, or are used in connection with the sale of Products for the life of the vehicle programs using the Products. Seller acknowledges and understands that the foregoing license is effective from the first date of the contract and extended for so long as Buyer produces, maintains or repairs any Product that incorporates the license rights and includes use in service parts.

(e) For the avoidance of doubt, Buyer, its successors, its affiliates, its customers and their dealers, and its subcontractors have the right to repair, reconstruct, remanufacture, reflash, or rebuild the specific Products delivered under the Contract without payment of any royalty to Seller.

(f) To the extent that Seller incorporates or utilizes third parties in connection with this Contract, including the supply of Products, or provision of Services ("Third Party Contractors"), Seller must secure all such Third Party Contractors' agreement, in writing, to the terms and conditions set forth in this Section 10 (Intellectual Property), in Section 11 (Property), and in Section 14 (Confidential Information), in Buyer's favor. Seller is jointly and severally liable to Buyer, for any breach or default, by any such Third Party Contractor of any such requirements.

(g) Seller will not manufacture or provide, or offer to manufacture or provide, any goods or services that practice or are based in whole or in part upon Buyer's Intellectual Property Rights or the Foreground Intellectual Property, including the drawings or specifications for the Products or the Services, or any derivative thereof, whether for Seller's own purposes (other than to satisfy its obligations under the Contract), for the Buyer's customer or any other third

parties, without Buyer's prior written consent. Seller must obtain Buyer's written consent to use Buyer's Intellectual Property Rights or Buyer's Property to make parts for third parties.

(h) Seller represents and warrants that all Products and Services provided hereunder will not incorporate or otherwise utilize any software (in source or object code form) licensed from another party under a license commonly referred to as an open source, free software, copyleft or community source code license (collectively, "Open Source Software"). For the avoidance of doubt, "Open Source Software" includes but is not limited to, any libraries or code licensed under any General Public License, Lesser General Public License or similar license arrangement.

(i) Embedded Software. To the extent any Embedded Software is not owned by Buyer:

A. Seller agrees to and does hereby grant to the Buyer under each copyright, patent and other intellectual property right that Seller owns or has a right to license in Embedded Software an unrestricted, permanent, perpetual, irrevocable, fully paid-up, royalty-free, sublicensable without limitation, world-wide right and license: (1) to use, repair, modify, and sell any Products having Embedded Software therein, and (2) in any tangible medium of expression, to access, use, reproduce, copy, prepare derivative works, display publicly, make, sell, offer to sell or import the Embedded Software.

B. The Buyer's obligations to treat Embedded Software as confidential are described in Section 14 (Confidentiality).

(j) Seller acknowledges that all licenses granted by Seller to Buyer under the Contract are 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 Rights, supplementary to any other rights of Buyer under the Contract and any other agreement with Seller.

(k) Seller is responsible for assuring that it has all proper intellectual property rights and/or licenses to allow Buyer to possess the rights granted by Seller to Buyer under the Contract. Seller is also responsible to assure it complies with any responsibilities under any software licenses.

10.4. Infringement Indemnity and Procedure.

a. Infringement Indemnity. Seller will indemnify and hold harmless Buyer, its successors, its affiliates and its customers and their dealers against claims, liabilities, losses, damages, costs, and expenses, including reasonable legal fees, arising anywhere in the world out of or in any way connected with any claim, allegation or demand that the Products or Services, alone or in combination with any other parts or components, or their manufacture, or the use of the Intellectual Property Rights of Seller or its affiliates, infringe, contributorily infringe,

misappropriate, dilute, or otherwise violate any third-party Intellectual Property Right including but not limited to any claims, allegations or demands: i) of trade secret misuse or misappropriation, or ii) where Seller has provided only part of the Product or Service. Seller expressly waives any claim against any of the indemnified parties that any such claims, allegations and demands arose out of compliance with Buyer's or any of the indemnified parties' specifications or directions. If a claim under this Section 10.3 results, or is likely to result, in an injunction or other order that would prevent Seller from supplying or Buyer from using Products for their intended purpose, in addition to Buyer's other remedies at law or in equity, Seller will at Buyer's option and expense either (a) secure a license of the Intellectual Property Right that permits Seller to continue supplying the Products and Services to Buyer, (b) modify the Products and Services so that they become non-infringing, so long as the modification does not materially alter the operation or performance of the Products and Services, or (c) replace the Products and Services with non-infringing but practically equivalent Products and Services.

b. Infringement Indemnification Procedure.

(i) If Seller is involved in a dispute with a third party in connection with intellectual property rights relating to the Products, or Seller believes that there is a likelihood that such a dispute may occur, Seller shall immediately notify Buyer, and shall furnish all information in its possession or under its control relating to such dispute. Buyer will notify Seller promptly after Buyer becomes aware of any allegation by a third party that the Product or Services infringe their intellectual property rights that is a basis for a claim under this Section 10.4, but Buyer's delay or failure to do so does not relieve Seller of any of its obligations.

The parties will cooperate with each other to analyze any such infringement claims. However, Buyer's cooperation pursuant to this Section shall not limit Buyer's right to pursue a claim against Seller for full indemnification, as set forth in Section 8.1, through litigation, arbitration or any other procedure under law or equity.

(ii) At Buyer's written request and in Buyer's sole discretion, Seller will at its own expense investigate and defend against any such claims, allegations and demands, or pay the costs of any investigation or defense made by or for Buyer. Buyer has the right, but not the obligation, to control the defense of any such claim. If Buyer does not elect to control the defense, then Seller is obligated to do so. Seller may not settle any such claim that, directly or indirectly, prejudices any of Buyer's rights under the Contract or otherwise. Buyer may, in its sole discretion, settle or compromise any third-party claim that gives rise to an indemnification claim without Seller's prior written consent.

(iii) Notwithstanding the provisions of this Section 10.4, Buyer may, at its sole discretion,

elect to control the defense and resolution of any claim, action or lawsuit described in this Section 10.3. If Buyer so elects, Seller shall, upon request from Buyer, provide Buyer with reasonable access to documents, records and witnesses in connection with such defense at Seller's sole expense, and such undertaking of defense by Buyer shall not relieve Seller of its indemnification obligation under this Section 10.3.

10.5 Technical Information.

(a) Seller agrees not to assert any claim (other than a claim for infringement of a valid patent that was disclosed to Buyer by Seller in writing prior to the Effective Date of the Contract as covering the Product) with respect to any technical or other information, including but not limited to any works of authorship fixed in any tangible medium (for example, drawings, prints, software, manuals and specifications), that Seller has disclosed or may hereafter disclose to Buyer or its affiliates in connection with the Contract or the Products or Services. Any technical or other information provided by Seller to Buyer or its affiliates will not be subject to confidentiality or nondisclosure obligations unless the parties have entered into a separate written confidentiality and nondisclosure agreement signed by their respective authorized representatives prior to the effective date of the Contract.

(b) Upon the request by Buyer, Seller must disclose and provide copies to Buyer (in an electronic format acceptable to Buyer) of all Intellectual Property Rights that are known or become known to Seller and that are used in the design or manufacture of the Products or Services or otherwise affect or relate to the Products or Services. Upon request by Buyer, Seller must provide any design aids, specification, or information regarding Products or work product from the Services.

(c) Buyer is not responsible or obligated to Seller, or any third party, for infringement or misappropriation of any intellectual property rights in Products or Services for which Buyer does not receive written notification from Seller, within thirty (30) days of the date that Seller is selected to provide the Products or Services to Buyer, that such intellectual property rights cover the Product or Services.

(d) To the extent any Product or Service designed or modified by Seller for Buyer's application, or any work of authorship (i.e. drawings, prints, software, manuals and specifications) provided by Supplier to Buyer under the Contract, is not owned by Buyer, the Seller agrees to and does hereby grant to Buyer (1) an unrestricted, permanent, perpetual, irrevocable, fully paid-up, royalty-free, sublicensable without limitation, world-wide right and license, to access such work, use such work, reproduce such work, prepare derivative works, distribute copies of such work to the public, and to perform and display such work publicly, including access to and use of any tangible materials that support such rights, and (2) a non-

exclusive, world-wide license on "commercially reasonable terms" to all other Seller Background Intellectual Property embodied in the Products.

11. Property.

11.1 Buyer's Property.

(a) Buyer and/or its customer will own the Tooling (which means all tooling, jigs, dies, gauges, fixtures, molds, patterns and other equipment), supplies, and other materials and property used by Seller to manufacture, store, and transport Products or provide Services ("Buyer's Property"). Buyer will also own all intellectual property rights in the Tooling paid for by Buyer. Seller will assign to Buyer contract rights or claims in which Seller has an interest with respect to Buyer's Property and execute bills of sale, financing statements, assignments or other documents reasonably requested by Buyer to evidence its ownership of Buyer's Property. Seller will indemnify and defend Buyer against claims or liens adverse to Buyer's ownership of Buyer's Property except those that result from the acts or omissions of Buyer. Seller will hold Buyer's Property on a bailment basis and will be responsible for loss or damage to Buyer's Property while in its possession or control. To the extent permitted by law, Seller waives any lien or similar right it may have with respect to Buyer's Property. Buyer is responsible for personal property taxes assessed against Buyer's Property.

(b) Seller will (i) at its expense maintain Buyer's Property in good condition and repair, normal wear and tear excepted, throughout the useful life of Buyer's Property, (ii) use Buyer's Property only for the manufacture, storage, and transport of Products for Buyer unless Buyer otherwise approves in writing, (iii) at Buyer's request and expense, mark Buyer's Property as belonging to Buyer or its customer, (iv) not remove Buyer's Property (other than shipping containers and the like) from Seller's premises without Buyer's written approval, and (v) not place any marks of Seller or any third party on any Buyer's Property if the property bears any of Buyer's marks or the design of the Buyer's Property is peculiar to Buyer. All replacement parts, additions, improvements, and accessories to Buyer's Property will become part of Buyer's Property.

(c) If Buyer contracts with Seller to manufacture or supply Buyer's Property, Buyer will pay the amount specified in the Contract or, if no amount is specified in the Contract, (i) Seller's actual cost of the Buyer's Property, if manufactured by a third party, or (ii) Seller's actual cost of purchased materials, components, and services plus Seller's actual cost of labor and overhead allocable to the Buyer's Property, if manufactured by Seller. Notwithstanding the particular payment terms applicable to an Order, in no event will Seller have a right to payment for Tooling before Buyer is paid by its customer for such Tooling. Seller agrees to retain all cost records for Tooling for a period of three (3) years after receiving final payment, or such longer period as may be required by Buyer's customer. No payment of funds for Tooling shall be made

by Buyer until Seller transfers title to Buyer free and clear of all liens, claims or other encumbrances and completes all related services, or at Buyer's option, provides adequate assurance of continued performance in such form as requested by Buyer.

(d) Seller will immediately release to Buyer upon request, and Buyer may retake immediate possession of, Buyer's Property and other property of Buyer or its customers at any time, with or without cause and without payment of any kind. Seller will be liable to Buyer for all of Buyer's legal expenses (including reasonable attorney's fees) arising out of Seller's refusal to timely and completely comply with this section. Seller will release the requested Buyer's Property and other property to Buyer FCA Seller's plant (Incoterms), properly packed and marked in accordance with the requirements of Buyer's carrier. If the release or recovery of Buyer's Property or other property renders Seller unable to produce a Product, the release or recovery will be deemed a termination of the Contract with respect to that Product pursuant to Sections 12 or 13, as applicable. Seller acknowledges that it must release Buyer's Property and that its only remedy is a claim for damages, and will not contest any attempt, whether informal or in litigation, by Buyer to repossess the Buyer's Property or other property of Buyer.

(e) To the extent any Intellectual Property Rights owned by or licensed to Seller are embodied in, or is otherwise necessary for the intended use of, any Buyer's Property, Seller hereby grants to Buyer a permanent, perpetual, irrevocable, fully paid-up, royalty-free, world-wide right and license, to use such Intellectual Property Rights with the right to grant sublicenses as necessary for any use of Buyer's Property.

(f) Seller agrees to and does hereby grant to Buyer a permanent, perpetual, irrevocable, fully paid-up, royalty-free, world-wide right and license to use any Seller's Intellectual Property Rights necessary to or helpful in the use of the Buyer's Property, with the right to grant sublicenses as necessary for any use of the Buyer's Property. This license applies to uses for the purpose of series and spare part production by Buyer or by third parties and affiliated companies.

11.2 Buyer's or Customer Property at Subcontractor Location. If the Seller intends to subcontract all or part of the manufacture of the Products to a third-party subcontractor and to locate Buyer's Property on the subcontractor's premises, the Seller will: (a) provide Buyer with written notice of the identity of the subcontractor and the location of the Buyer's Property; (b) obtain the prior written permission of Buyer; (c) inform the subcontractor in writing that it is a bailee-at-will, through the Seller, of Buyer's Property owned by Buyer; (d) be solely responsible for payments to the subcontractor; and (e) include in its purchase order to the third party a waiver of third party's liens. If a subcontractor brings an action against the Seller for payment of the Buyer's Property, the Seller will not join Buyer in the action and will defend and indemnify Buyer if it is joined by the third party in any action.

11.3 Seller's Property. Seller will own all Property that is not Buyer's Property or the property of Buyer's customer ("Seller's Property"). Seller will at its expense furnish, maintain in good condition, and replace when necessary Seller's Property needed to perform the Contract. While a Contract remains in effect, Buyer may purchase Seller's Property used exclusively to produce those Products and not needed by Seller to produce Products or products for other customers, for a purchase price equal to the greater of fair market value or Seller's unamortized acquisition cost. Seller will release Seller's Property in accordance with Section 11.1(d).

12. Duration and Termination of the Contract

12.1 Duration. Subject to Buyer's termination rights, the Contract is binding on the parties for the length of the applicable Original Equipment Manufacturer ("OEM") vehicle program production life (including model refreshes as determined by the applicable OEM customer), and both Buyer and Seller acknowledge the risk of the vehicle program production life being cancelled or extended by the OEM.

12.2 Termination for Convenience. In addition to any other rights of Buyer to terminate the Contract, Buyer may, in its sole discretion, upon notice to Seller, terminate the Contract for convenience without cause, in whole or in part, at any time upon 30 days' written notice to Seller. Buyer will not be liable to Seller beyond the Post-Termination Purchases listed in Section 12.4. Seller may not terminate the Contract for convenience or otherwise.

12.3 Termination for Default, Change of Control, Insolvency Event.

(a) Buyer may immediately terminate the Contract, in whole or in part, based upon a Default (as defined in Section 13, below) by Seller.

(b) Buyer may terminate the Contract, in whole or in part, in the event of a change of control of Seller. 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 the Contract; (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 must notify Buyer in writing within ten (10) days of any change of control of Seller. Upon a change of control of Seller without Buyer's prior written consent, Buyer may terminate the Contract immediately by giving written notice to Seller.

(c) Any termination under this Section 12.3 will be without liability to Buyer, except for the Products delivered or the Services performed by Seller and accepted by Buyer prior to termination.

12.4. Post-Termination Purchases. If Buyer terminates the Contract under Section 12.2, then Buyer will purchase completed Products in the possession of Seller at the Contract price and work-in-process and raw materials in Seller's possession at Seller's actual cost, up to the amount of firm releases. If Buyer terminates the Contract for any other reason, then Buyer may, in its sole discretion, purchase completed Products in the possession of Seller at the Contract price and work-in-process and raw materials in Seller's possession at Seller's actual cost, up to the amount of firm releases. Buyer's payment obligations to Seller, resulting from any termination other than one pursuant to Section 12.2, are subject to any of Buyer's rights under Section 6.5.

12.5. Buyer's Property Following Termination. Upon a termination under this Section 12, Buyer may elect to purchase Seller's Property that is used by Seller exclusively in the manufacture of Products or the performance of Services for Buyer. If Buyer elects to purchase the Seller's Property, the purchase price for the property will be established pursuant to Section 11.1(c).

12.6 Seller's Obligations Following Termination. Following delivery of a notice of termination from Buyer, Seller will, unless otherwise directed by Buyer and subject to its obligation to provide Transition Support as provided in Section 12.8:

- (a) terminate promptly all work under this Contract and transfer title and deliver to Buyer all finished work completed prior to receipt of the notice of termination;
- (b) transfer title and deliver to Buyer all work in process, and the parts and materials which Seller produced or acquired in accordance with the Contract and which Seller cannot use in producing goods for itself or for others;
- (c) verify and settle all claims by subcontractors for actual costs that are rendered unrecoverable by such termination; and
- (d) take all actions reasonably necessary to protect property in Seller's possession in which Buyer has or may acquire an interest, including the Buyer's Property, until disposal instructions from Buyer have been received.

12.7 Buyer's Rights and Limitations on Buyer's Obligations Following Termination or Expiration.

- (a) Buyer's obligations under Section 12, if any, are conditioned upon Seller's furnishing to Buyer, within one month after the date of termination, a termination claim, which will consist exclusively of Buyer's obligations to Seller that are expressly permitted by this Section 12.7.

Buyer may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim.

(b) Buyer will not be obligated to make any payment for Products, work-in-process, parts or raw materials inventory: (i) in excess of those authorized or required under any material release, (ii) that are damaged or destroyed or that are not merchantable or useable; (iii) that are in Seller's standard stock or that are readily marketable; or (iv) that can be returned to Seller's suppliers or subcontractors for credit.

(c) Buyer will have no obligation for and will not be required to pay Seller, directly or on account of claims by Seller's subcontractors, for loss of anticipated profit, failure to realize anticipated production volumes, revenues or savings, unabsorbed overhead, interest on claims, product development and engineering costs, tooling, facilities and equipment rearrangement costs or rental, unamortized capital or depreciation costs, or general administrative burden charges from termination or expiration of the Contract, except as otherwise expressly agreed in a separate Contract issued by Buyer.

(d) The rights and licenses arising or granted to Buyer under Sections 10 (Intellectual Property Rights), 11 (Buyer's Property), 12 (Termination), 14 (Confidentiality) and 15 (Assignment and Subcontracting) shall survive the expiration, non-renewal or termination of any Order or the Contract for any reason.

(e) The obligations of Seller to Buyer under these Terms survive termination of any Order or the Contract, for any reason, except as otherwise provided in these General Terms.

12.8 Transition of Supply Following Termination or Expiration. Following expiration or termination of the Contract for any reason and notwithstanding any claimed or actual breach of any obligation by Buyer, Seller will cooperate in the transition of supply to a successor supplier, including the following, which will collectively be referred to as "Transition Support":

(a) Seller will continue production and delivery of all Products or Services as ordered by Buyer, at the prices and other terms stated in the Contract, without premium or other condition, during the entire period reasonably needed 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 Products or Services as needed;

(b) at no cost to Buyer, Seller will promptly provide all requested information and documentation regarding Seller's manufacturing process, including on-site inspections, bill-of-material data, tooling and process detail and samples of Products and components; and

(c) subject to Seller's actual capacity constraints, Seller will provide special overtime production, storage and/or management of extra inventory of Products, extraordinary packaging and transportation and other special services as expressly requested by Buyer in writing. If the transition occurs for reasons other than Buyer's termination due to Seller's Default (as defined in Section 13.1 of these General Terms), Buyer will, at the end of the transition period, pay the reasonable, actual cost of the assistance under this Section 12.8, provided that Seller has advised Buyer prior to incurring such amounts of its estimate of such costs. If the parties disagree on the cost of Transition Support, Buyer will pay the agreed portion to Seller without prejudice to Seller's right to seek to recover any disputed amounts.

13. Default.

13.1 Events of Default. Seller will be in "Default" under the Contract if it (a) fails to perform any obligation under the Contract and, if the non-performance can be cured, fails to cure the non-performance within 15 days after notice from Buyer, (b) admits in writing its inability to pay its debts as they become due, commences a bankruptcy, insolvency, receivership, or similar proceeding, or makes a general assignment for the benefit of creditors, (c) becomes a debtor in a bankruptcy, insolvency, receivership, or similar proceeding commenced by a third party that is not dismissed within 30 days after commencement, (d) fails to provide adequate assurance of performance under the Contract within three business days after written demand by Buyer, (e) repudiates the Contract, takes any action evidencing its intention not to perform (including threatening non-delivery of goods) or omits to take any action required to be performed by Seller that is necessary for Seller to timely deliver Products or Services under the Contract, (f) fails to pay any trade payables or other accounts payable to Buyer, its subsidiaries or affiliates, incurred in the ordinary course of Seller's business that are not reasonably disputed and that have been outstanding for more than 60 days, or (g) fails to be competitive with respect to the cost, quality, delivery, reliability of supply, or technology of Products or Services.

13.2 Remedies.

(a) Buyer's rights and remedies in this Contract are cumulative and in addition to all other rights or remedies provided at law or equity. Without limiting the foregoing, should any Products or Services fail to conform to the warranties given by Seller or if the materials contained within the Products are alleged to or are determined to cause injury to third parties, Buyer will notify Seller and Seller will, if requested by Buyer, reimburse Buyer for all incidental, special and consequential damages caused by the nonconforming Products or Services, including, but not limited to, costs (including all attorney's or other professional fees), expenses and losses incurred by Buyer in (i) inspecting, sorting, containing, repairing, reworking or replacing the nonconforming Products, (ii) resulting from production interruptions, (iii) conducting Recalls or other corrective service actions, (iv) claims or litigation arising from

personal injury (including death) or property damage caused by the nonconforming Products, and (v) any amounts for which Buyer is liable to its customer(s) on account of the nonconforming Products. If requested by Buyer, Seller will enter into a separate agreement for the administration or processing of charge backs for nonconforming Products.

(b) Seller will reimburse Buyer for all liabilities, claims, demands or expenses (including attorney's or other professional fees) arising from or relating to (i) Seller's breach or anticipatory repudiation of the Contract or any other contract between Seller and Buyer, (ii) a request or demand by Seller to modify or change the terms of the Contract, or (iii) legal proceedings involving Seller that in the reasonable judgment of Buyer may impact upon Seller's continued or future performance under the Contract, or if Seller is a party to a court case or proceedings in which Buyer appears, participates, monitors or becomes a party.

(c) Seller acknowledges that its failure to deliver the Products on the delivery dates and times as specified in the Contract will cause irreparable harm to Buyer and that Buyer will be entitled to equitable relief including an injunction.

(d) Buyer may recover from Seller all actual, incidental and consequential damages (including costs directly or indirectly caused by Seller's breach of the Contract) regardless of whether the breach subsequently becomes a Default with the passage of time or giving of notice or both.

(e) Upon the termination of the Contract for Default, Buyer may also recover from Seller the costs actually incurred to relocate the work to an alternate source.

(f) If Seller does not release or deliver Buyer's Property in accordance with Section 11.1, Buyer may at Seller's cost (i) obtain an immediate court order for possession thereof without notice and without posting a bond, and (ii) enter Seller's premises, with or without legal process, and take immediate possession of Buyer's Property. To the extent permitted by law, Seller waives any right to object to Buyer's repossession of Buyer's Property in a bankruptcy or other proceeding.

(g) Any proceeding or action initiated by Seller for breach of the Contract or any other act or omission (including tort) arising from or in any way related to the Contract must be commenced within one (1) year from the date the breach, act or omission giving rise to Seller's claim occurs, regardless of Seller's knowledge of the breach, act or omission or of its consequences.

(h) In no event will Buyer be liable to Seller or Seller's subcontractors for anticipated profits or for special, incidental or consequential damages.

14. Confidential Information.

14.1 Except as provided in Section 10.5 above, trade secrets, know-how, manufacturing processes, specifications, drawings, notes, instructions, engineering data and analyses, compositions of matter, financial data, and other technical and business data which are proprietary to and supplied or disclosed by either Buyer or Seller in connection with the Contract, in each case that are marked or otherwise identified as confidential or where their confidential nature is apparent at the time of disclosure (“Confidential Information”), will be deemed confidential and proprietary to, and remain the sole property of, the disclosing party. The receiving party may not disclose or use Confidential Information for any purpose other than as contemplated under the Contract without the written consent of the disclosing party. Confidential Information will not include information that (a) is or becomes generally available to the public other than as a result of a violation of this Section 14 by the receiving party, (b) was obtained by the receiving party on a non-confidential basis from a third party who had the apparent right to disclose it, (c) is legally required to be disclosed, or (d) Buyer must share with a third party to fulfill its obligations to its customers. Buyer and Seller will each use the same degree of care (but not less than a reasonable degree of care) to safeguard Confidential Information that it uses to protect its own confidential information from unauthorized access or disclosure. Upon request by the disclosing party, the receiving party will promptly return or destroy the original and all copies of Confidential Information received.

14.2 Any invention, improvement, application, or experimental, developmental or research activities, whether or not patentable, resulting from performance under the Contract shall be owned by Buyer and be deemed the confidential and proprietary property of Buyer.

14.3 Buyer’s Confidential Information includes, but is not limited to, any information that meets the following requirements, regardless of whether it has been disclosed under the Contract:

- (1) The information is non-public information that is proprietary to: (A) the Buyer; (B) any of its affiliates; or (C) any third party to which any of them has an obligation of confidentiality relating to the information; and
- (2) The information is:
 - (A) a volume projection, or is provided under a Buyer’s supplier management initiative;
 - (B) Buyer’s or any of its affiliates’ future product plans or any details of those plans; or

- (C) any other information identified by the Buyer or any of its subsidiaries or affiliates (orally or in writing) as confidential.

14.4 Seller shall not input Seller's Confidential Information into any electronic system of the Buyer or any of its subsidiaries or affiliates unless the Buyer, or any of its subsidiaries or affiliates, has advised the Seller in a written notice that the system is suitable for receipt of Seller's Confidential Information.

14.5 Seller must include corresponding confidentiality provisions in favor of Buyer in Seller's contracts with subcontractors.

14.6 The Buyer and its affiliates have no other obligation for confidential information supplied to them from whatever source, unless otherwise agreed to in writing.

15. Assignment and Subcontracting.

Seller may not assign or subcontract its duties or responsibilities under the Contract without the prior written consent of Buyer. Notwithstanding the foregoing, Seller will have the right to authorize its lower tier suppliers to practice Buyer's Intellectual Property, but only to the extent necessary for the lower tier supplier to supply to Seller components for the Products to be supplied by Seller to Buyer under the Contract, and such right shall not include the right for the lower tier supplier to authorize any third party. Upon request of Buyer, Seller shall provide Buyer with the names of any third parties authorized by Seller to practice Buyer's Intellectual Property. Unless otherwise stated in the consent, any assignment or subcontracting by Seller will not relieve Seller of its duties or obligations under the Contract or its responsibility for non-performance or Default by its assignee or subcontractor. Any purported license granted to a subcontractor or assignment to any third party in violation of the foregoing will be null and void and of no force or effect.

16. Excusable Non-Performance.

A delay or failure by either party to perform its obligations under the Contract will be excused and will not constitute a Default if (i) caused by an event or occurrence beyond the reasonable control of that party and without its fault or negligence, including, acts of God or of the public enemy, acts of the Government (including, but not restricted to, any preference, priority or allocation), fires, floods, epidemics, quarantine, restrictions, strikes, freight embargoes, or unusually severe weather, and (ii) the party unable to perform gives notice of the non-performance (including its anticipated duration) to the other party promptly after becoming aware that it has occurred or will occur. If Seller is unable to perform for any reason, Buyer

may purchase Products and Services from other sources and reduce its purchases from Seller accordingly without liability to Seller. Within three days after Buyer's written request, Seller must provide adequate assurances that the non-performance will not exceed 30 days. If Seller does not provide those assurances, or if the non-performance exceeds 30 days, then Buyer may terminate all or part of the Contract without liability to Seller.

Seller's financial inability to perform, changes in cost or availability of materials, components or services based on market conditions, or subcontractor or supplier actions or contract disputes will not excuse performance by Seller under theories of force majeure, commercial impracticability or otherwise, and Seller expressly assumes these risks.

17. Labor Contracts.

Seller will notify Buyer of the expiration date of Seller's labor contract(s) at least six months prior to expiration. Buyer may thereafter direct Seller in writing to manufacture up to 30 days of additional inventory of Products, specifying the quantities of Products required and any packaging and storage requirements. Seller will exert best efforts to comply with Buyer's written directions prior to expiration of the Contract. Seller is responsible for carrying costs and any additional costs of manufacture.

18. Customs.

Transferable credits or benefits associated with Products purchased, including trade credits, export credits, or rights to the refund of duties, taxes, or fees, belong to Buyer unless otherwise prohibited by applicable law. Seller will provide Buyer with all information and records relating to the Products necessary for Buyer to (a) receive these benefits, credits, and rights, (b) fulfill any customs obligations, origin marking or labeling requirements, and certification or local content reporting requirements, (c) claim preferential duty treatment under applicable trade preference regimes, and (d) participate in any duty deferral or free trade zone programs of the country of import. Seller will obtain all export licenses and authorizations and pay all export taxes, duties, and fees unless otherwise stated in the Contract, in which case Seller will provide all information and records necessary to enable Buyer to obtain those export licenses or authorizations.

19. Insurance.

Prior to commencing work on Buyer's premises or utilizing Buyer's equipment (including Buyer's Property), Seller will maintain and upon request furnish to Buyer a certificate evidencing (a) general liability insurance with coverage limits reasonably acceptable to Buyer and naming Buyer as an additional insured, (b) all risk property perils insurance covering the full

replacement value of Buyer's equipment while in Seller's care, custody, or control and naming Buyer as loss payee, and (c) worker's compensation insurance as required by applicable law.

20. Dispute Resolution.

Each Contract and all transactions between Buyer and Seller will be governed by and construed in accordance with the laws of the State of Michigan without reference to its conflicts of laws provisions. The United Nations Convention on Contracts for the International Sale of Goods does not apply to the Contract. Seller irrevocably consents to the sole and exclusive venue of the state and federal courts in and for Oakland County, Michigan, USA for all disputes arising out of the Contract. Seller irrevocably consents to the personal jurisdiction of the foregoing courts.

21. Limitation of Liability

Buyer's sole liability under the Order (including its termination, expiration or cancellation) is to pay for the Products in accordance with these General Terms and to pay the specific termination related amounts described in Section 12. In no event will Buyer be liable for anticipated profits, interest, penalties or incidental, consequential, punitive, multiple, or exemplary damages or liabilities in connection with the Contract, whether for breach of contract, late payment, property damage, personal injury, illness, or death or otherwise, or for Seller's costs in acquisition of capital equipment or other assets.

22. Miscellaneous.

22.1 Advertising. During and after the term of the Contract, Seller will not advertise or otherwise disclose its relationship with Buyer without Buyer's prior written consent, except as may be required to perform the Contract or as required by law.

22.2 Audit Rights. Seller will maintain records as necessary to support amounts charged to Buyer under the Contract in accordance with Seller's document retention policies. Buyer and its representatives may audit Seller's records of transactions completed within one year prior to the audit date, to the extent needed to verify the quantities shipped and that the prices charged match the Contract prices. Any audit will be conducted at Buyer's expense (but will be reimbursed by Seller if the audit uncovers material errors in the amounts charged), at reasonable times, and at Seller's usual place of business.

22.3 Electronic Communication. Seller will comply with the method of electronic communication specified by Buyer in Buyer's request for quotation and confirmed in the Contract, including requirements for electronic funds transfer, purchase order transmission, electronic signature, and communication. Seller will also make commercially reasonable efforts

to comply with any modification to Buyer's specified method of electronic communication after the date of the Contract, subject to Section 1.2.

22.4 Relationship of the Parties. Buyer and Seller are independent contractors, and nothing in the Contract makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or create any obligation on behalf of the other party.

22.5 Waiver. The failure of either party to enforce any right or remedy provided in the Contract or by law on a particular occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.

22.6 Entire Agreement. The Contract constitutes the entire agreement between the parties with respect to its subject matter, and supersedes all prior oral or written representations or agreements by the parties with respect to the subject matter of the Contract, including Buyer's request for quotation and Seller's quotation, unless specifically incorporated in the Contract. Except as authorized in Section 1.2, no subsequent terms, conditions, understandings, or agreements purporting to modify the terms of the Contract will be binding, unless in writing and signed by both parties. Notwithstanding the foregoing, Buyer may amend or modify these Terms at any time in its sole discretion by posting revised Terms to its web site at www.duraauto.com, and such revised Terms will become effective immediately.

22.7 Severability. A finding that any provision of the Contract is invalid or unenforceable in any jurisdiction will not affect the validity or enforceability of any other provision of the Contract or the validity or enforceability of that provision in any other jurisdiction.

22.8 Interpretation. When used in these General Terms, "including" means "including without limitation" and terms defined in the singular include the plural and vice versa.

22.9 Notices. Any notice or other communication required or permitted in the Contract must be in writing and will be effective on the date of actual receipt if the date of actual receipt is a business day or on the next business day if the date of actual receipt is not a business day.

22.10 Third Party Beneficiaries. Buyer and its customers are intended third party beneficiaries of any contracts between Seller and its suppliers relating to the production or assembly of the Products covered by the Contract with the right to enforce those contracts. Buyer's customers are an intended third party beneficiary of this Contract with the right to enforce this Contract against Seller as if it were an original party hereto. There are no other third party beneficiaries of the Contract.

22.11 Customer Purchase Order Provisions. As directed by Buyer in writing, Seller will comply with the applicable terms and conditions of any agreements received by Buyer from Buyer's customers (collectively, "Customer Purchase Orders"), directly or indirectly applicable to Buyer, pursuant to which or in respect to which Buyer supplies to customer, or incorporate into goods supplied to customer, Products purchased by Buyer from Seller. Buyer may in its discretion supply Seller with information regarding the Customer Purchase Orders, but Seller is responsible for ascertaining any terms and conditions contained in Customer Purchase Orders that may affect Seller's obligations under this Order. Seller will take reasonable measures to assist Buyer to meet the terms and conditions of the Customer Purchase Orders. If this Section conflicts any other paragraph in this Order, Buyer has the right to have the provisions of this Section prevail.