



Tottser-Iroquois Industries, LLC

General Terms & Conditions

1. Offer & Acceptance:
 - 1.2. Each purchase order is Buyer's offer to purchase Products and Services identified in the purchase order. Seller will be deemed to have accepted a purchase order as issued (1) if Seller fails to object to it in writing before receipt of product or beginning performance under the purchase order, or (2) if seller acknowledges in writing its acceptance of the purchase order. Upon acceptance, the purchase order together with these General Terms & Conditions and any other documents specifically incorporated in the purchase order or separately agreed to in writing, such as specifications, drawings, requirements of Buyer's customer, or quality requirements, will become binding contract between Buyer and Seller. If Seller timely objects to a Purchase Order or proposes alternate or additional terms, the Purchase order will become a contract only if and when Buyer and Seller mutually agree in writing, even if Seller commences or has commenced performance under the purchase order.
 - 1.3. Buyer may from time to time 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. At Seller's request with appropriate supporting documentation, the parties will agree upon an equitable adjustment to the contract price and time for performance as a result of Buyer's changes. Contract changes must be in writing signed by Buyer's authorized representative.
2. Product & Services
 - 2.2. If quantities or delivery schedules are not specified in the contract, they will be as reasonably determined by Buyer and stated in Buyer's firm releases issued to Seller from time to time. Buyer may return over-shipments to Seller at Seller's expense. Unless otherwise specifically stated in the contract, the contract is not exclusive and Buyer may purchase similar products and services from third parties, subject to section 10.2.
 - 2.3. 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.
 - 2.4. If a contract remains in effect at the end of the vehicle production program in which products covered by the contract are incorporated, Seller will also make those products available to Buyer for Buyer's past model service requirements for a period of 10 years after the end of the vehicle production program.
 - 2.5. 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 cost of expendable packaging.

2.6. Seller will deliver product and services in strict accordance with contract terms. Unless otherwise stated in the contract, products will be delivered FOB Buyer's dock and title will transfer upon receipt of the product by the freight carrier. If products are not ready for delivery in time to meet Buyer's delivery schedules, Seller will be responsible for additional costs of any resulting expedited or other special transportation.

3. Inspection

3.2. Buyer may, upon reasonable advance notice to Seller, inspect 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. Seller may restrict Buyer's access as necessary to protect proprietary information and may require appropriate indemnification and releases. Buyer is not required to inspect product delivered or services performed, and no inspection or failure to inspect will reduce or alter Seller's obligation under the contract.

4. Taxes

4.2. Unless otherwise stated in the contract, the contract price includes federal, state, provincial and local 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.

5. Payment

5.2. Payment terms are as set forth in the contract. Seller will promptly submit correct and complete invoices or other agreed billing communications with appropriate supporting documentation and other information reasonably required by Buyer after delivery of products and performance of services, and Buyer may withhold payment until a correct and complete invoice or other required information is received and verified. Seller will accept payment by check or cash equivalent, including electronic funds transfer. Buyer will pay Seller in the currency specified in the contract or, if none is specified, in U.S. Funds. Buyer may set off or deduct from sums owed to Seller under the contract those sums owed by Seller to Buyer and agreed to between the parties or upon final determination by dispute resolution.

6. Product Warranties

6.2. Seller warrants to Buyer that (1) during the warranty period specified in the contract, the products will be free from defects in workmanship and materials, and will conform to the specifications, drawings, samples, and performance requirements specifically incorporated in the contract, and (2) Seller will transfer to Buyer ownership and good title to products delivered and services provided, free of all liens, encumbrances, and rights of third parties (except those created by Buyer). Unless otherwise specifically stated in the contract, Seller does not warrant the design of the products or their fitness for any particular purpose. The foregoing warranties are the sole warranties and all other warranties or representations, express or implied, arising by law or custom, including implied warranties of merchantability and fitness for a particular purpose, are expressly disclaimed.

6.3. Except as otherwise specifically provided in the contract and subject to Section 6.3, Buyer's sole remedy for products and services that do not conform to the warranties in Section 6.2 will be to (1) reject the non-conforming product and services, (2) require Seller, at Seller's option and expense (including applicable shipping costs), to either repair or replace the non-conforming products and services, and/or (3) require Seller to implement at its expense containment, inspection, sorting, and other quality assurance procedures if Buyer reasonably determines that a substantial quantity of incoming products does not conform to the warranties in section 6.2. To the full extent possible, Buyer will provide Seller with access to any available warranty data

related to the products and any field-returned products. Buyer will also provide Seller with an opportunity to participate in any root cause analysis performed by Buyer concerning the products.

- 6.4. This section 6.4 applies to any voluntary or government-mandated offer by Buyer (or the vehicle manufacturer) to vehicle purchasers 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). Except as otherwise stated in the contract, Seller will be liable for costs and damages resulting from a Recall only if the Recall results in whole or in part from a failure of the products to conform to the warranties in Section 6.2 during the warranty period specified in the contract. If Seller is liable for a Recall, the extent of Seller's liability will be negotiated on a case by case basis based on (1) a good faith allocation of responsibility for the Recall, (2) the reasonableness of the costs and damages incurred, (3) the quantity purchased and contract price of the affected products, and (4) other relevant factors. As a condition precedent to Seller's liability under this Section 6.4, Buyer must (1) notify Seller as soon as practicable after Buyer learns that a Recall is being considered implicates the products, (2) provide Seller with available performance evaluations, accident reports, engineering investigations, and other data relating to the potential Recalls, (3) provide Seller a reasonable opportunity to participate in inquiries and discussion among Buyer, its customer, and government agencies regarding the need for and scope of the Recall, and (4) consult with Seller about the most cost-effective method of modifying or replacing vehicle systems or component parts, including the products, in order to remedy the alleged defect or non-compliance.
7. Product Liability
- 7.2. Seller will indemnify and defend Buyer against third-party claims or demands for injury or death to persons, property damages, 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, if and to the extent caused by Seller's defective design or manufacture of products or provision of services, or its negligent acts or omissions in its performance under the contract.
8. Seller will comply with 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 applicable laws.
9. Buyer does not transfer to Seller any patent, trade secrets, trademark, service mark, copyright, mask work or other intellectual property right of Buyer in information, documents or property that Buyer makes available to Seller under the contract, other than the right to produce and supply products and services to Buyer.
10. Infringement
- 10.2. Seller will indemnify and defend Buyer and its customers against claims liabilities, losses, damages, costs, and expenses, including reasonable legal fees, arising out of the actual or alleged infringement by the products or a third party Intellectual Property Right (1) in the United States, the European Union, or Japan, and (2) in another jurisdiction if Seller is aware of the actual or alleged infringement in that other jurisdiction at the time the purchase order is issued and fails to disclose it to Buyer within 10 days after accepting the purchase order. If a claim under this Section 10 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, Seller will at its option and expense either (1) secure a license of the Intellectual Property Right that permits Seller to continue supplying the products to Buyer, or (2) modify the products so that they become non-infringing, so long as the modification does not materially alter the operation performance of the products, or (3) replace the products with non-infringing but practically equivalent products.

11. Property

- 11.2. Buyer will own tooling, jigs, dies, gauges, fixtures, supplies, materials, and other equipment and property used by Seller to manufacture, store, and transport product or provide service if (1) the property is so designated in the contract, or (2) Buyer or its customer has provided or paid for the property. 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, or other documents reasonably requested by Buyer to evidence its or its customer's ownership of Buyer's property. Seller will indemnify and defend Buyer against claims or liens adverse to Buyer's or its customer's ownership of Buyer's property except those that result from the acts or omission of Buyer's property on a bailment basis and will be responsible for loss or damages 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 will be responsible for personal property taxes assessed against Buyer's property.
- 11.3. Seller will (1) 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, (2) use Buyer's property only for the manufacture, storage, and transport of products for Buyer unless Buyer otherwise approves in writing, (3) at Buyer's request and expense, mark Buyer's property as belonging to Buyer or its customer, and (4) not remove Buyer's property (other than shipping containers and the like) from seller's premises without Buyer's written approval. All replacement parts, additions, improvements, and accessories to Buyer's property will become part of Buyer's property unless they can be removed without damaging Buyer's property.
- 11.4. Buyer will pay for Buyer's property that it is required to purchase at the amount specified in the contract or, if no amount is specified in the contract, at (1) Seller's actual cost of the Buyer's property, if manufactured by a third party, or (2) 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. Unless otherwise stated in the contract, final payment for Buyer's property is due on the vehicle manufacturer's PPAP (Production Part Approval Process) approval date.
- 11.5. 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 unless otherwise provided in the contract. Seller will release the requested property and other property to Buyer F.C.A. Seller's plant, 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 Section 12 or 13, as applicable.
- 11.6. Seller will own all property that is not Buyer'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 for products remain 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.

12. Termination

- 12.2. Each contract will remain in effect for the term specified in the contract (or until terminated if no term is specified) unless earlier terminated by either party (1) by reasonable (but not less than 60 days) notice to the other party, or (2) pursuant to Section 13 or 16. Upon termination of contract, Seller will assist Buyer in moving production to the alternate source selected by Buyer. Buyer will purchase completed products at the contract price and work-in-process and raw materials at Seller's actual cost, in each case (1) to the extent authorized in Buyer's firm releases, and (2) in

good condition, free of defects. If the Seller terminates the contract before the end of the specified term (other than for Buyer's default), Buyer may purchase completed products at the contract price and work-in-process and raw materials at Seller's actual cost.

13. Default

13.2. Time is of the essence and, subject to Section 16, either party will in default under the contract if it (1) fails to perform any obligation under the contract and, if the non-performance can be cured, fails to cure the non-performance within 15 business days after notice from the other party specifying the non-performance, (2) admits in writing its inability to pay its debts as they become due, commences bankruptcy, insolvency, receivership, or similar proceedings, or makes a general assignment for the benefit of creditors, (3) 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, or (4) fails to provide adequate assurance of performance under the contract within three business days after written demand by the other party.

13.3. Subject to section 7 and 8 (which provide the exclusive remedies for breach of warranty, recalls, and product liability) and to the limitations in this section 13.3, either party may exercise the remedies provided in this section 13.3, which are cumulative and are in addition to all other rights and remedies available elsewhere in the contract or by law.

13.3.1. Either party may recover from the other party actual out-of-pocket damages or costs directly caused by the other party'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. All damages under this section 13.3 will be reasonably determined based on the nature, type, price, and profitability of the product and services, industry practices, and overall volume, scope, and profitability of other business relationship between Seller and Buyer.

13.3.2. Upon the occurrence of a default and while the default is continuing, the non-defaulting party may terminate the contract by notice to the defaulting party. If Seller is in default, Buyer's damages will include the reasonable costs actually incurred to relocate the work to an alternate source, and Buyer may purchase completed products at the contract price and work-in-process and raw material at Seller's actual cost. If Buyer is in default, Seller's damages will include (1) the contract price for completed products at the contract price and work-in-process and raw materials (which will become Buyer's property upon payment in Full), and (2) the cost of unreimbursed and unamortized capital equipment, property, and supplies that are unique to the products.

13.3.3. If Seller does not release or deliver Buyer's property or other property of Buyer or its customers in accordance with Section 11.1 (d), Buyer may at Seller's cost (1) obtain an immediate court order for possession without notice and without posting a bond, and (2) enter Seller's premises, with or without legal process, and take immediate possession of Buyer's property and the other property. To the extent permitted by law, Seller waives any right to object to Buyer's repossession of Buyer's property and the other property in a bankruptcy or other proceeding.

13.3.4. Except as otherwise expressly authorized in the contract, all indirect, special, consequential (including lost profits or market share or damage to brand value), incidental, punitive, and exemplary damages, whether or not foreseeable, are excluded under these general terms and conditions to the extent permitted by applicable law.

14. Confidential Information

14.2. Trade secrets, specifications, drawings, notes, instructions, engineering data and analyses, and other technical and business data which are supplied or disclosed by 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 will be deemed confidential and proprietary to, and remain the sole property of, the disclosing party. The receiving party may

not disclose confidential information or use confidential information for any purpose other than as contemplated under the contract without in each case the written consent of the disclosing party. Confidential information will not include information that (1) is or becomes generally available to the public other than as a result of a violation of this Section 14 by the receiving party, (2) was obtained by the receiving party on a non-confidential basis from a third party who had the apparent right to disclose it, or (3) is legally required to be disclosed. Buyer and Seller will each use the same degree of care to safeguard confidential information that it uses to protect its own confidential information from unauthorized access or disclosure (but not less than reasonable degree of care). Upon request by the disclosing party, the receiving party will promptly return or destroy the original and all copies of confidential information received.

15. Assignment and Subcontracting

15.2. Neither party may assign or subcontract its duties or responsibilities under the contract without the prior written consent of the other party, which will not be unreasonably withheld or delayed. Unless otherwise stated in the consent, any assignment or subcontracting by either party, with or without the required consent, will not relieve that party of its duties or obligations under the contract or its responsibility for non-performance or default by its assignee or subcontractor. If Buyer requires Seller to subcontract all or a portion of its duties or obligations under the contract to a designated subcontractor, Seller will not be responsible for a breach of the contract caused by that subcontractor's failure to meet its warranty, delivery, or other contractual obligations.

16. Excusable Non-performance

16.2. A delay or failure by either party to perform its obligations under the contract will be excused, and will not constitute a default only if (1) caused by an event or occurrence beyond the reasonable control of that party and without its fault or negligence, and (2) 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 business days after written request by the other party, the non-performing party will provide adequate assurances that the non-performance will not exceed 30 days. If the non-performing party does not provide those assurances, or if the non-performance exceeds 30 days, the other party may terminate the contract by notice to the non-performing party before performance resumes.

17. Labor contracts

17.2. Seller will notify Buyer of the contract expiration date at least six months before the expiration of a current contract that has not been extended or replaced. 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 use commercially reasonable efforts to comply with Buyer's written directions prior to expiration of the current labor contract and until the current contract has been extended or a new contract completed. By authorizing the additional inventory, Buyer commits to buy the entire quantity of conforming products requested and produced. Seller is responsible for carrying cost and any additional costs of manufacture.

18. Customs

18.2. Transferable credits or benefits associated with products purchased, including trade 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 (1) receive these benefits, credits, and rights, (2) fulfill any customs obligations, origin marking or labeling requirements, and certification or local content reporting requirements, (3) claim preferential duty treatment under applicable trade preference regimes,

and (4) participate in any duty deferral or free trade zone programs of the country of import. Seller will obtain 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 authorization.

19. Miscellaneous

- 19.2. 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 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.
- 19.3. 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 purposes. Neither party has authority to assume or to create any obligation on behalf of the other party.
- 19.4. 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.
- 19.5. Insurance: For work or services done for Buyer on premises designated by Buyer, Seller shall furnish Buyer, prior to commencement of the work or services, certificates of insurance showing that Seller has Worker's Compensation, Employer's Liability, and Comprehensive General Liability coverage in the minimum amounts and form as may be specified by Buyer, which coverages shall not be allowed to change or expire until all services or work have been completed and accepted
- 19.6. 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.
- 19.7. 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.
- 19.8. Interpretation: When used in these General Terms & Conditions, "including" means "including without limitation" and terms defined in the singular include the plural and vice versa.
- 19.9. Notices: Any notice or other communication required or permitted in the contract must be in writing and will become 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.
- 19.10. Governing Law: Unless otherwise agreed in writing, the contract will be governed by and interpreted according to the internal laws of Michigan. The United Nations Convention on Contracts for the International Sale of Goods will not apply to the contract.