

Billing and Shipping Requirements

- A. All materials shall be suitable packed, marked and shipped in accordance with the requirements common carriers in a manner to secure the lowest transportation cost, and no additional charge shall be made to Buyer therefore unless otherwise stated herein. No charge shall be made by Seller for drayage or storage, unless otherwise stated herein.
- B. Unless specified herein, Seller shall properly mark each package with Buyer's Purchase Order number, factory plant and/or dock number, and where multiple packages comprise a single shipment each package shall also be consecutively numbered. Correct Purchase Order number and package numbers shall be shown on packing slips, bills of lading and invoices. Packing slips must accompany each shipment.
- C. Seller agrees to describe material on the bill of lading or other shipping receipt and to route the shipment in accordance with instructions issued by Buyer's Purchasing Department. The original bill of lading, or other shipping receipt, for each shipment shall be promptly forwarded by Seller in accordance with instructions issued by Buyer.
- D. Seller agrees to render, invoices promptly to Buyer. Failure to submit such invoices on time shall entitle Buyer to withhold settlement with no charge whatsoever for the account of Buyer and without losing cash discount privileges.
- E. All invoices must carry a certification stating that the goods were produced in compliance with the applicable requirements of the Fair Labor Standards Act, as amended, and all regulations and orders of the Department of Labor issued pursuant to the act.

STANDARD TERMS AND CONDITIONS

1. **Acceptance**, Seller has read and understands this Purchase Order and agrees that Seller's written acceptance or commencement of any work or service under this purchase order shall constitute Seller's acceptance of these

terms...and conditions only. All terms and conditions proposed by Seller which are different from or in addition to this Purchase Order are unacceptable to Buyer, and expressly rejected by Buyer and shall not become a part of this Purchase Order, any modifications to this Purchase Order shall only be made in accordance with paragraph 23.

2. **Contract**, This Purchase Order is to be construed according to the laws of the State of Michigan. This Purchase Order is Non-assignable by Seller. Any changes to this Purchase Order shall be agreed upon by the parties in writing through a Purchase Order Amendment. The Purchase Order will continue to be binding upon Seller and Buyer to the extent that it is not specifically modified by a Purchase Order Amendment.
3. **Delivery Schedules**, If specific quantities and delivery dates are not shown on the face of the Purchase Order, deliveries are to be made both in quantities and at times specified in schedules furnished by Buyer. Buyer shall have no liability for payment for material or items delivered to Buyer which are in excess of quantities specified in the Purchase Order or in the delivery schedules. Buyer may from time to time change delivery schedules or direct temporary suspension of scheduled shipments without any resulting modification of price or other terms or conditions of the Purchase Order.
4. **Premium Shipments**, If because of the failure of Seller to meet the delivery requirements of this Purchase Order, Buyer finds it necessary to require shipment of any of the supplies covered by this Purchase Order by a method of transportation other than the method originally specified by Buyer, Seller shall reimburse Buyer the amount, if any, by which the cost of the more expeditious method of transportation exceeds the cost of the method of transportation originally specified, unless such failure is due to causes beyond the control and without the fault or negligence of Seller.
5. **Product Ingredients**, Seller agrees, upon written request, to Promptly furnish to Buyer a list of all ingredients in products purchased hereunder and, as necessary, the amount of one or more ingredients. Thereafter, Seller shall promptly furnish information concerning any changes in such ingredients.

6. **Cancellation**, Buyer reserves the right to cancel all or any part of this Purchase Order if Seller fails to make deliveries as specified in schedules or so fails to make progress as to endanger timely and proper completion and delivery of the goods or services and does not correct such failure within (10) days (or shorter period of time may be commercially reasonable under the circumstances) after receipt of written notice from Buyer specifying such failure, or if Seller repudiates or breaches any of the terms hereof including the warranties of Seller.
7. **Termination**, In addition to Buyer's right to cancel this Purchase Order under paragraph 6 above in the event of breach or anticipatory breach of the Purchase Order, and notwithstanding the existence of any cause or event specified in paragraph 8 below. Buyer may at its option terminate all or any part of this Purchase Order, at any time and for any reason, by giving written notice of termination to Seller. Upon termination by Buyer under this paragraph, Buyer shall pay Seller the following amounts (1) the Purchase Order price for all items or services which have been completed in accordance with this Purchase Order and not previously paid for, plus (2) the actual cost, not to exceed the aggregate purchase price specified in the Purchase Order, of work-in-process and raw materials incurred by Seller in furnishing the terms or services under this Purchase Order to the extent such costs are reasonable in amount and are properly allocable or appropriate under generally accepted accounting practices to the terminated portion of this Purchase Order, and Seller shall ship and deliver all items so paid for (to the extent not previously shipped to Buyer) in accordance with buyer's instructions. Buyer will make no payments for finished, work in process or raw materials fabricated or procured by Seller amounts in excess of those authorized in delivery schedules nor for any undelivered goods which are in Seller's standard stock or which are readily marketable. In no event shall Buyer be liable for, and Buyer shall make no payment to Seller indirectly or on account or of claims by Seller or Seller's subcontractors with respect to loss of anticipated profit, unabsorbed overhead interest on claims arising from termination of this Purchase Order. Product development and engineering costs, facilities and equipment rearrangement cost or rental, unauthorized depreciation costs, and general and administrative burden charges, with respect to any items or work terminated pursuant to this Paragraph 7, Seller shall submit promptly but in no event later than ninety

(90) days from the effective date of termination, it's termination claim in the form and with such detail as Buyer shall direct. Buyer, or its agents, shall have the right to audit and examine all books, records, facilities, work, material, inventories, and other items relating to any termination claim of Seller.

8. **Force majeure**, Any delay or failure of either party to perform its obligation hereunder shall be excused if and to the extent that it is caused by an event or occurrence beyond the reasonable control of the party and without its fault or negligence such as by way of example and not by way of limitation acts of God, actions by any governmental authority (whether valid or invalid) fires, floods, windstorm, explosions, riots, national disasters, wars, sabotage, labor problems (including lockouts, strikes, and slowdowns) inability to obtain power, material, labor equipment or transportation or court injunction or Purchase Order provided that written notice of such delay (including the anticipated duration of the delay) shall be given by the affected party to the other party within ten (10) days. During the period of such delay or failure to perform by Seller, Buyer at its option may purchase goods from other sources and reduce its schedule to Seller by such quantities without liability to Seller or have Seller provide goods from other sources in quantities and at times requested. Buyer and the price set forth in this Purchase Order requested by the Buyer, Seller shall within ten (10) days of such request provide adequate assurances (that the delays shall not exceed thirty (30) days). If the delay lasts more than thirty (30) days, or Seller does not provide adequate assurance that the delay will cease within thirty (30) days, Buyer may immediately cancel this Purchase Order without liability.
9. **Defective or Nonconforming Goods**, In the event of Seller's delivery of defective or non-conforming items of Seller's breach of warranty. Buyer may at its election and in addition to any other rights or remedies it may have at law or equity or under this Purchase Order, recover from Seller any cost of removing such items from property equipment or products in which such items have been incorporated and any additional cost of reinstallation, reinspection, and retesting and (a) return the items at Seller's risk and expenses and recover from Seller the price paid therefore and, if elected by Buyer, purchase or manufacture similar items and recover from Seller costs and expenses therefore, (b) accept or retain the items and equitably reduce their

price, or (c) require Seller, at Seller's expense, to promptly replace or correct the items and, pending re-delivery, to repay to Buyer any amount therefore paid for such items. If Seller fails to promptly replace or correct such items as directed by Buyer, Buyer may repair them or have them repaired at Seller's expense or purchase or manufacture similar items and recover from Seller the costs and expenses therefore. Payment for material on this Purchase Order prior to inspection shall not constitute an acceptance thereof, nor manufacture prior to delivery or within a reasonable time after delivery, shall not constitute acceptance of any work-in-process or finished goods.

10. **Specification Changes**, Buyer reserves the right at any time to make changes in drawings and specifications as to any material and/or work covered by this Purchase Order. Any difference in price or time for performance resulting from such changes shall be equitably adjusted and the Purchase Order and or schedule shall be modified in writing accordingly.
11. **Remedies**, The rights and remedies herein reserved shall be cumulative and additional to any other or further remedies provide in law of equity. The waiver of a breach of any provision of the Purchase Order shall not constitute a waiver of any subsequent breach of the same provision nor a waiver to any breach of any other provision.
12. **Patents**, By accepting this Purchase Order, Seller agrees to defend protect and save harmless Buyer, its successors, assigns, customers, and users of it products, against all suits at law or in law or equity, and from all damages, claims and demands for actual or alleged infringements of any United States or foreign patent, copyright, or other intellectual property rights by reason of the use of sale of the material ordered.
13. **Technical Information Disclosed To Buyer**, Seller agrees not to assert any claim (other than a claim for patent infringement) with respects to any technical information which Seller shall have disclosed or may hereafter disclose to Buyer in connection with the goods or services covered by the Purchase Order.
14. **Indemnification**, If Seller performs any work on Buyer's premises or utilizes the property of Buyer, whether on or of Buyer's premises, Seller

agrees that Seller shall be responsible for all damages to property, that occur as a result of Seller's performance or work on Buyer's premises or use of Buyer's property, and Seller shall indemnify and hold harmless Buyer from and against any liability, claims, or demands for such damages or injuries (including death), provided, however that Seller shall not be responsible for, nor be required to indemnify and hold harmless Buyer from, liabilities, claims or demands based upon the sole negligence of Buyer.

15. **Insurance**, Seller agrees to furnish insurance certificates showing that the Seller has insurance coverage in amounts not less than the following, Workers Compensation –Statutory Limits for the state or states in which work is to be performed. Employer's Liability \$100,000.00, bodily injury \$250,000.00, property damage \$250,000.00. Said certificate must set forth the amount of coverage, number of policy and date of expiration. The purchase of such insurance coverage or the furnishing of the aforesaid certificate shall not be a satisfaction of Seller's liability hereunder or in any way modify Seller's indemnification of Buyer.
16. **Advertising**, Seller shall not, without first obtaining the written consent of Buyer, in any manner advertise or publish that fact that Seller has contracted to furnish Buyer the material or work herein Purchase Ordered, and for failure to observe this provision, Buyer shall have the right to cancel this Purchase Order without any obligations to accept deliveries after the date of cancellation or make further payment except for completed articles delivered prior to cancellation.
17. **Insolvency**, As permitted by applicable law, and without waiving any of the rights or remedies provided by such applicable law, Buyer may immediately cancel this Purchase Order in the event of the happening of any of the following, or any other comparable event, insolvency of the Seller, the filing of a voluntary petition in bankruptcy, the filing of any involuntary petition to have Seller declared bankrupt, provided it is not vacated with thirty (30) days from the date of filing, the appointment of a receiver or trustee for Seller, provided such appointment is not vacated within thirty (30) days from the date of such appointment, the execution by Seller of an assignment for the benefit of creditors.

18. **Government Regulations**, Seller agrees to compile with all federal, state and local laws, rules, regulations, executive Purchase Orders (including those related to Equal Employment Opportunities), and ordinances which may be applicable to Seller's performance of its obligations under the Purchase Order. In addition, Seller warrants that the material covered by the Purchase Order, when delivered to Buyer, will compile with all applicable federal, state and local laws, rules regulations, executive Purchase Orders and ordinances.
19. **Equal Opportunity and Affirmative Action**, The Purchase Order incorporates by reference (a) all provisions of 41 CFR 60-1.4 as amended pertaining to the equal opportunity clause in government contracts (b) all provisions of 41 CFR 60-250 as amended pertaining to affirmative action for disabled veteran of the Vietnam Era and (c) all provision of 41 CFR 60-741 as amended pertaining to affirmative action for handicapped workers. Seller certifies that it is in compliance with all applicable provisions of 41 CRF 60-1 including but not limited to (a) developing and presently having in full force and effect a written affirmative action compliance program for each of it establishments as required by 41 CFR 60-1.40 as amended (b) Filing EEO-1 Reports as required by 41 CFR60-1.7 as amended and (c) neither maintain segregated facilities nor permitting its employees to perform services at segregated facilities as prohibited by 41 CFR60-1.8 as amended Buyer request that Seller adopt and implement a policy to extend employment opportunities to qualified applicants and employees on an equal basis regardless of an individual's age, race, color, sex, religion or national origin.
20. **No Implied Waiver**, The failure of either party at any time to require performance by the other party of any provision of the Purchase Order shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver of either party or a breach of any provision of this Purchase Order constitute a waiver of any succeeding breach of the same or any other provision.
21. **Relationship of Parties**, Seller and Buyer are independent contracting parties and nothing in the Purchase Order shall make either part the agent or legal representative of the other for any purpose whatsoever nor does it grant

either party an authority to assume or to create any obligation of behalf of or in name of the other.

22. **Severability**, if any term of the Purchase Order is invalid or unenforceable under any statute, regulations, ordinance, executive order, or other rule of law such term shall be deemed reformed or deleted but only to the extent necessary to compile with such statute, regulation, ordinance, order or rule and the remaining provisions of the Purchase Order shall remain in full force and effect.

23. **Entire Agreement**, This Purchase Order together with the attachments, exhibits or supplements specifically referenced in the Purchase Order constitutes the entire agreement between Seller and Buyer with respect to the matter contained herein and supersedes all prior oral or written representations and agreements. The Purchase Order may only be modified by a Purchase Order Amendment issued by Buyer.