



Hollingsworth

Supply Chain Innovators

TERMS AND CONDITIONS OF PURCHASE

Definitions: "Purchaser" means Hollingsworth Logistics Group, L.L.C.

Seller" means the person or company to whom this document is addressed.

1. Offer, Acceptance and Notification. This Purchase Order is an offer to Seller by Purchaser to enter into the agreement it describes and it shall be the complete and exclusive statement of such agreement. Seller shall accept the offer in writing or by beginning work hereunder. Acceptance is expressly limited to the terms of Purchaser's offer. Modifications proposed by Seller are not part of the agent in the absence of Purchaser's written acceptance. Please confirm receipt of Purchase Order with your according Hollingsworth Purchasing Representative: 313-768-1400.
2. Delivery Schedules. Deliveries shall be made both in quantities and at times specified herein or on written fabrication and shipping authorization, which shall be furnished by Purchaser. Seller shall adhere to shipping directions specified on Purchaser's material releases. Purchaser shall not be required to make payment for goods delivered to Purchaser which are in excess of quantities specified in Purchaser's delivery schedules. Purchaser may change rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Seller to a modification of the price of goods or services covered by this Purchase Order. Time and quantity are of the essence in any Purchase Order. Unless otherwise agreed to, shipping date specified is the time of goods shipment from the location of Purchaser's order origin.
3. Premium Shipments. Purchaser may require shipment of any of the goods by a more expeditious method of transportation if Seller fails to meet the shipping quantities and/or timing specified in a Purchase Order or other requirements of a Purchase Order, including the requested date of shipment, and Seller will bear the cost difference of such transportation unless such failure is due to an Excusable Delay as specified in Section 18.
4. Insolvency. Purchaser or a third party designated by Purchaser may at any time review the financial condition of Seller and its affiliates, and Seller will fully cooperate in such review and will promptly provide copies of or access to requested documents, including without limitation financial records and statements, forecasts, banking contacts and loan documents and will make its financial managers available for discussions during reasonable business hours. Purchaser and any designated third party will keep confidential any nonpublic information about Seller obtained in a financial review and use such information only for purposes of the review except as needed to enforce the Purchase Order. The Purchase Order may be terminated immediately by Purchaser without liability to Seller if any of the following or comparable events occurs, and Seller will reimburse Purchaser for all costs incurred by Purchaser in connection with any of the following, including without limitation reasonable attorney's and other professional fees: (i) Seller becomes insolvent; (ii) Seller files a voluntary petition in bankruptcy; (iii) an involuntary petition in bankruptcy is filed against Seller; (iv) a receiver or trustee is appointed for Seller; (v) Seller needs accommodations from Purchaser, financial or otherwise, in order to meet its obligations under the Purchase Order; (vi) Seller executes an assignment for the benefit of creditors; (vii) Seller fails to meet the credit underwriting standards of Purchaser's credit insurance program, or (viii) Seller is unable promptly to provide Purchaser with adequate reasonable assurance of Seller's financial capability to perform any of Seller's obligations under the Purchase Order on a timely basis. In the event the

Purchase Order is not terminated in accordance with the immediately preceding sentence, upon the occurrence of an event described in the immediately preceding sentence, Purchaser may make equitable adjustments in the price, payment terms, and/or delivery requirements under the Purchase Order as Purchaser deems necessary

to address the change in Seller's circumstances, including Seller's continuing ability to perform its obligations.

5. Cancellation For Breach. Purchaser reserves the right to cancel all or any part of this Purchase Order, without liability to Seller, if Seller (i) repudiates or breaches any of the terms of this Purchase Order including Seller's warranties; (ii) fails to perform services or deliver goods as specified by Purchaser; or (iii) fails to make progress so as to endanger timely and proper completion of services or delivery of goods; and does not correct such failure or breach within ten (10) days or such shorter period of time as is commercially reasonable under the circumstances after receipt of written notice from Purchaser specifying such failure or breach.
6. Termination.
 - (a) In addition to any other rights of Purchaser to cancel or terminate this Purchase Order, Purchaser may at its option, immediately terminate all or any part of this Purchase Order at any time and for any reason by giving written notice to Seller.
 - (b) Upon receipt of notice of termination, Seller unless otherwise directed by Purchaser shall (i) terminate promptly all work under this Purchase Order, (ii) transfer title and deliver to Purchaser the finished work, the work-in-process and the parts and materials which Seller produced or acquired in accordance with this Purchase Order and which Seller cannot use in producing goods for itself or for others, (iii) settle all claims by subcontractors, if any, for actual costs that rendered unrecoverable by such termination, and (iv) take actions reasonably necessary to protect property in Seller's possession in which Purchaser has interest.
 - (c) Upon termination by Purchaser under this Section, Purchaser shall pay to Seller the following amounts without duplication: (i) the purchase order price for all finished work and completed services which conform to the requirements of this Purchase Order and not previously paid for, (ii) Seller's reasonable actual cost of the work-in-process and parts and materials transferred to Purchaser in accordance with subsection (b)(ii) hereof, (iii) Seller's reasonable actual cost of settling the claims of the obligation Seller would have had to the subcontractors in the absence of termination, and (iv) Seller's reasonable actual cost of carrying out its obligations under subsection (b)(iv) hereof. Purchaser's obligation upon termination under this Section shall not exceed the obligation Purchaser would have had to Seller in the absence of termination.
 - (d) Within two months after the date of termination, Seller shall furnish Purchaser its termination claim which shall consist exclusively of the items of Purchaser's obligation to Seller that are listed in subsection (c) hereof. Purchaser may audit Seller's records before or after payment to verify amounts requested in Seller's termination claim.
7. Assignment. Seller shall not assign this Purchase Order or claims for monies without Purchaser's prior written consent.
8. Changes. Seller shall notify Purchaser of any changes in product and/or processes, changes of suppliers of products sold to Purchaser, change of manufacturing facility or location and, where required, obtain Purchaser approval for these changes. Seller shall flow down to the supply chain in the applicable Purchaser and/or Purchaser's Customer's requirements.

Purchaser reserves the right at any time to direct changes, or cause Seller to make changes, to drawings and specifications of the good or to otherwise change the scope of the work covered by this Purchase Order including work with respect to such matters as inspection, testing or quality control, and

Seller agrees to promptly make such changes. Any such changes shall be deemed not to affect time for performance or cost unless Seller notifies Purchaser in writing within ten days after mailing of any such order. Seller will not make any change in the design, processing, packing, shipping or date or place of delivery of the goods unless done pursuant to Purchaser's instructions or with Purchaser's written approval.

9. Inspection. Purchaser may enter Seller's facility to inspect the facility, supplies, materials, and of Purchaser's property related to the Purchase Order. Purchaser's inspection of supplies, whether during manufacture, prior to delivery, or after delivery, does not constitute acceptance of any work in process or finished goods. Purchaser's acceptance, inspection, or failure to inspect does not relieve Seller of any of its responsibilities or warranties. Nothing in any Purchase Order releases Seller from the obligation of testing, inspection and quality control. Purchaser at its option may reject and return at Seller's risk and expense, or retain and correct, goods that fail to conform to the requirements of a Purchase Order even if the nonconformity does not become apparent until the manufacturing or processing stage. Seller will reimburse Purchaser for all reasonable expenses resulting from rejection or correction. Payment for nonconforming goods is not an acceptance, does not limit or impair Purchaser's right to assert any legal or equitable remedy and does not relieve Seller's responsibility for latent defects. Seller will ensure that the terms of its contracts with its subcontractors provide Purchaser and its customers with all of the rights specified in this Section.
10. Right of access. Seller shall at all times grant right of access to the Purchaser, the Purchaser's Customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain involved in the order. Additionally, Seller shall grant Purchaser or its designated representatives access to all books and records of Seller that pertain to any work between the parties.

Verification of Subcontracted Product. Purchaser or Purchaser's representative shall be afforded the right to certify at any subcontractor's premises and Seller's premises that subcontracted product conforms to specified requirements. Such verification shall not be used by Seller as evidence of effective control of quality by the subcontractor. Verification by Purchaser shall not absolve Seller of the responsibility to provide acceptable product nor shall it preclude subsequent rejection by Purchaser.
11. Nonconforming Goods. Seller shall notify Purchaser of any nonconforming product(s) shipped or suspected of being shipped to Purchaser and obtain Purchaser's written approval for nonconforming product disposition. To the extent Purchaser rejects goods as nonconforming, the quantities under this Purchase Order will automatically be reduced unless Purchaser otherwise notifies Seller. Seller will not replace quantities so reduced without a new order or schedule from Purchaser. Nonconforming goods will be held by Purchaser for disposition in accordance with Seller's instructions at Seller's risk. Seller's failure to provide written instructions within ten (10) days, or such shorter period as may be commercially reasonable under the circumstances after notice of nonconformity shall entitle Purchaser, at Purchaser's option, to charge Seller for storage and handling, or to dispose of the goods without liability to Seller. Upon the return of any nonconforming goods, Seller shall reimburse Purchaser for 1) any amounts paid by Purchaser on account of the purchase price of such returned goods, and 2) any costs incurred by Purchaser in connection with, but not limited to inspection, sorting, testing evaluations, storage, or rework, within ten days after a debit memo for the costs has been issued by Purchaser. Payment for nonconforming goods shall not constitute an acceptance thereof, limit or impair Purchaser's right to assert any legal or equitable remedy, or relieve Seller's responsibility for latent defects.
12. Warranty.
 - (a) Seller expressly warrants and guarantees to Purchaser, to Purchaser's successors, assigns and Customers, that all goods and services delivered or provided to Purchaser will: (i) be world class, competitive goods and services in terms of price, quality, delivery and technology, and conform to the specifications, standards, drawings, samples, descriptions and revisions as furnished to or by Purchaser; (ii) conform to all applicable laws, orders, regulations and standards in countries where goods and services or vehicles or other products are to be sold; (iii) be merchantable and free of defects in design (to the extent designed by Seller or any of its subcontractors, agents or suppliers, even if the designed has been approved by

Purchaser), materials and workmanship; (iv) be selected, designed, manufactured and assembled by Seller based upon Purchaser's stated use and be fit and sufficient for the purposes intended by Purchaser, and (v) be free of all liens, claims and encumbrances whatsoever. Seller further

expressly warrants that, unless otherwise expressly stated in a Purchase Order, the goods or materials are manufactured entirely with new materials, none of the goods or materials is, in whole or in part, governmental or commercial surplus or used, remanufactured, reconditioned or of such age or condition so as to impair its fitness, usefulness or safety, and the goods are free from latent defects or conditions that would give rise to a defect regardless of whether the defect or condition was known or discoverable during the warranty period. Seller expressly warrants that all goods and services covered by this Purchase Order will conform to the specifications, drawings, samples, or descriptions furnished to or by Purchaser and/or U.S. industry standards, and will be merchantable, of good material and workmanship and free from defects. In addition, Seller acknowledges that Seller knows of Purchaser's intended use and expressly warrants that all goods covered by this Purchase Order which have been selected, designed, manufactured or assembled by Seller, based upon Purchaser's intended use, will be fit and sufficient for the particular purpose intended by Purchaser. Seller hereby covenants and agrees to defend, indemnify and hold Purchaser harmless from any claims, liabilities, damages, including special consequential, punitive and exemplary damages, and costs (including reasonable attorney's fees) arising in any way from any breach or alleged breach of the above warranties of Seller whether or not such goods have been incorporated into Purchaser's products and/or resold by Purchaser.

- (b) Seller represents and warrants that the prices for the goods will be no less favorable than those which Seller presently, or in the future, offer to any other customer for the same or similar goods or services for similar quantities. If Seller offers a lower price for the same or similar goods or services to any other customer during the term of a Purchase Order, then to the extent permitted by law Seller will immediately offer Purchaser the same price for the Goods on the same terms and conditions as was offered to the other customer.
- (c) Seller shall submit to Purchaser for approval applicable product warranty documentation, including but not limited to, supporting evidence of product conformity, test reports and/or airworthiness certificates to the Purchaser. Seller shall retain records of these documents for a period of no less than 7 years unless otherwise required by the Purchaser.

13. Insurance. Seller shall obtain and maintain insurance coverage in amounts necessary to conform to the term and conditions of this Purchase Order, including comprehensive general liability insurance. Seller shall furnish to Purchaser certificates of insurance setting forth the amount of coverage, policy number and date(s) of expiration for insurance maintained by Seller and, if further requested by Purchaser, such certificates will provide that Purchaser shall receive thirty (30) days prior written notification from the insurer of any termination or reduction in the amount or scope of coverage.

14. Compliance. Seller and any supplies, materials or goods supplied by Seller will comply with all applicable laws, including rules, regulations, orders, conventions, ordinances and standards, including without limitations (i) in relation to manufacture, labeling, transport, import, export, licensing, approval or certification of the goods and materials, and (ii) laws relating to environmental matters, hiring, wages, hours and conditions of employment, discrimination, occupational health or safety and motor vehicle safety. The Purchase Order incorporates by reference all clauses required by these laws.

15. Shipping.

- (a) Seller agrees (a) to properly make, pack and ship goods in accordance with the requirements of Purchaser and involve carriers in a manner to secure lowest transportation cost; (b) to route shipment in accordance with Purchaser's instructions; (c) to make no charge for handling, packaging, storage transportation or drayage of good unless otherwise stated in this Purchase Order;

(d) to provide with each shipment papers showing the purchase order number amendment or release number, Purchaser's part number, Sellers part number where applicable, quantity of pieces in shipment, number of cartons or containers in shipment, Sellers name and number and the bill of lading number; and (e) to promptly forward the original bill of lading or other shipment receipt for each shipment in accordance with Purchaser's instructions and carrier requirements. The marks on each package and identification of the goods on packing slips, bills of lading and invoices shall be sufficient to enable Purchaser to easily identify the goods purchased. Seller shall include Material Safety Data Sheets with the shipping documents for all applicable items. Seller shall comply with all applicable federal, state, provincial and local laws and regulations pertaining to product and warning labels. Seller shall provide necessary Country of Origin, NAFTA and IMDS data to enable Purchaser to meet federal and or foreign requirements regarding origin of manufacture and materials used in the manufacture of Goods contracted by Purchaser.

- (b) Shipments without tare weight will not be accepted; Purchaser will accept exact shipments only, and Purchaser shall not be responsible for payment for any quantities shipped in excess of the order quantity. Unless Seller has received Purchaser's prior approval to use its own routing and delivery process, Seller shall ship via the Purchaser's designated routing instructions only; contact operations staff at 877-781-3006 for instructions. Failure to ship via designated instructions will result in a charge back to Seller of the difference between costs that would have resulted from Native American Logistics (NAL) instructions and actual costs, which difference shall be deducted from amounts due to Seller for this Purchase Order.
- (c) Seller agrees to only use Purchaser's approved and designated freight forwarder.

16. Invoices.

- (a) The payment date is set forth on the face of the Purchase Order, or if not stated, shall be on the 30th day of the month following Purchaser's receipt of proper invoice (except as may otherwise be agreed upon by Purchaser and Seller in connection with a program providing for electronic funds transfer). Time for payment shall not begin until correct and complete invoices are received and Seller's cash discount privileges to Purchaser shall be extended until such time as payment is due. Purchaser may withhold payment if the invoice is not received within 60 days of product shipment, and also pending receipt of evidence, in such form and detail as Purchaser may direct, of the absence of any liens, encumbrances and claims on the goods and services under this Purchase Order.
- (b) Purchaser will have the right at any reasonable time to send its authorized representatives to examine all pertinent documents and materials in the possession or under the control of Seller relating to any of Seller's obligations under a Purchase Order or any payments requested by Seller pursuant to a Purchase Order. Seller shall maintain all pertinent books and records relating to a Purchase Order for a period of two years after delivery of Goods pursuant to that Purchase Order.
- (c) Seller agrees that all its accounts with Purchaser will be administered on a net settlement basis and that Purchaser may set off and recoup debits and credits including Purchaser's attorney fees and costs of enforcement, against any of Seller's accounts regardless of basis for such debits or credits and without additional notice. For purposes of this paragraph, "Purchaser" includes Purchaser's parent, subsidiaries and affiliates, and "Seller" includes Seller's parent and subsidiaries.

17. **Applicable Law - Arbitration.** This Purchase Order shall be governed by the laws of the State of Michigan without regard to its conflict of law's provisions. Disputes arising from the Purchase Order shall be settled by arbitration before the American Arbitration Association, Detroit, Michigan pursuant to its commercial arbitration rules then in effect. The decision of the arbitrator shall be final and binding upon Purchaser and Seller, shall not be appealable, and judgment on the award rendered may be entered in any court of competent jurisdiction.

18. **Excusable Delay.** Neither Purchaser nor Seller shall be liable for a failure to perform that arise from causes or events beyond its reasonable control and without its fault or negligence, including labor disputes of any kind. The party claiming the excusable delay shall give notice in writing as soon as possible after the occurrence of the cause relied on and after termination of the condition. During the period of delay or failure to perform by Seller, and a reasonable period of time thereafter, Purchaser at its option may purchase goods from other sources and reduce this Purchase Order by such quantities without liability to Seller. The change in cost or availability of material, components or services based on market conditions, supplier actions or contract disputes (other than labor disputes) will not excuse performance, and Seller assumes these risks.
19. **Patents Trademarks and Copyrights.** Seller has no knowledge of any patent or trademark infringement and shall at its expense defend, indemnify and hold Purchaser harmless with respect to every claim that may be brought against Purchaser or others that use the goods of a Purchase Order, for any alleged infringement of any present or future patent, copyright, industrial design right or other proprietary right based on Seller's activity under a Purchase Order.
20. **Entire Agreement.** This Purchase Order, together with the attachments, exhibits or supplements, specifically reference in this Purchase Order, constitutes the entire agreement between Seller and Purchaser with respect to the matter contained herein and supersedes all prior oral or written representations and agreements. This Purchase Order may only be modified by a purchase order amendment/alteration issued by Purchaser.
21. **Remedies.** The individual remedies reserved in a Purchase Order will be in addition to any remedies provided by law. No waiver of any breach of any provision of a Purchase Order will constitute a waiver of any other breach of such or any other provisions.
22. **Customer Requirements.** As directed by Purchaser on the Purchase Order or in a separate writing, Seller agrees to comply with the applicable terms of any agreements between Purchaser and its customer(s) to which Purchaser provides the goods (as incorporated into products supplied to such customer(s)). Purchaser may in its discretion supply Seller with information regarding purchase orders from its customers). Seller will be responsible for ascertaining how such customer purchase order information affects Seller's obligations under Purchaser's Purchase Order, and Seller will meet all such disclosed customer terms to the extent within Seller's control. In the event that Purchaser's customer files or has filed against it a petition in bankruptcy or insolvency and, in the court of such proceeding and in connection with actual or threatened termination by the customer of its contracts(s) with Purchaser (by rejection or otherwise), Purchaser permits a reduction in the price(s) paid to Purchaser for products incorporating the Goods, the price paid to Seller for the Goods from and after the date of such reduction will be automatically adjusted proportionally by the same percentage as the price paid to Purchaser by its customer, and the Order will otherwise remain in effect without modification. By written notice to Seller, Purchaser may elect to have the provisions of this Section prevail over any conflicting terms between the Purchaser and Seller. If Purchaser is customer directed, recommended requested, suggested or otherwise identified Seller as the source from whom Purchaser is to obtain the Goods: (a) Purchaser will pay Seller for the Goods only following and to the extent of Purchase is actual receipt of payment from that customer for those goods in which the specific Goods are incorporated, and any lengthening of that customer's payments to Purchaser will automatically lengthen the payment terms as between Purchaser and Seller by an identical amount of time; (b) within three business days of any change in price, specifications or other terms negotiated or proposed between Seller an the customer Seller will notify Purchaser in writing and will immediately adjust its invoice to reflect any price reduction, provided that no change will be binding on Purchaser without Purchaser's specific written consent.
23. **Purchaser's Property.** All information and materials, including without limitation, tooling, packaging, documents, standards, specifications, samples, trade secrets, manufacturing processes, marketing and pricing data, proprietary information and other materials and items (including whether or not such materials are in any way modified, altered or processed) furnished by Purchaser either directly or

indirectly to Seller to perform the Purchase Order, along with any and all supplies, tooling, deliverables, data, and intellectual property rights shall be and remain the sole and exclusive property of Purchasers.
Any and all goods

manufactured by Seller using Purchaser's property may not be used for Seller's own use or manufactured or provided to third parties without Purchaser's express written authorization.

24. Confidentiality. Seller acknowledges that Purchaser property includes proprietary and confidential information ("Confidential Information"), regardless of whether such information is marked or identified as confidential, and is delivered to Seller on a confidential and non-public basis for the purpose of performing the Purchase Order only. All terms of the Purchase Order are deemed proprietary and confidential information of Purchaser. Seller agrees to keep all Confidential Information in strictest confidence and further agrees not to disclose or permit disclosure to other, or use for other than the purpose of the Purchase Order, any such Confidential Information. Seller shall (i) disclose Purchaser's Confidential within Seller's organization only to those employees who have a need to know in order to fulfill Seller's obligations under the Purchase Order and who have agreed to keep the Purchaser's Confidential Information confidential and (ii) prevent any of Purchaser's Confidential Information from being divulged to third persons not employed by Seller without the prior written consent of Purchaser. This obligation of confidence shall survive termination of this Agreement for a period of five years.
25. Claims by Seller. Any legal action or arbitration proceeding by Seller under any Purchase Order must be commenced no later than one (1) year after the breach or other event giving rise to Seller's claim or Seller becomes aware of the existence (or facts and circumstances giving rise to the existence) of such claim, whichever occurs first.
26. Indemnification. (a) To the fullest extent permitted by law, (i) Seller hereby assumes the entire, sole responsibility for any injury to person, including death, or damage to property of any kind or nature caused by, resulting from or in connection with the furnishing of goods and services by Seller, its subcontractors, officers, agents or employees; (ii) Purchaser shall not be responsible for any injury to person (including death) or damage to property resulting from Seller's possession, use, misuse or failure of any Purchaser's property or other property furnished to Seller by Purchaser, and the use of any such property by Seller shall constitute acceptance by Seller of all responsibility for any claims for such injury or damage, and (iii) Seller will defend, indemnify and hold harmless Purchaser, customers, and dealers and users of the products sold by Purchaser (or the vehicles in which they are incorporated) and all of their respective agents, customers, invitees, subsidiaries, affiliates, successors and assigns, against all damages, losses, claims, liabilities and expenses (including reasonable attorneys' and other professional fees, settlements and judgments) arising out of or resulting from any defective goods and materials, or from any negligent or wrongful act or omission of Seller or Seller's agents, employees or subcontractors, or any breach or failure by Seller to comply with any of Seller's representations or other terms and conditions of a Purchase Order. Seller's obligation to defend and indemnify under this Section will apply regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability or otherwise except for claims that arise as a result of the sole negligence of Purchaser. Purchaser has the right to be represented by and actively participate through its own counsel in the defense and resolution of any indemnification matters, at Seller's expense. The indemnification obligations of Seller set forth in this Agreement, including this Section, are independent of and in addition to any insurance and warranty obligations of Seller.
27. Relationship of Parties. Seller and Purchaser are independent contracting parties and nothing in the Purchase Order will make either party the employee, agent or legal representative of the other for any purpose. The Purchase Order does not grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. Seller will be solely responsible for all employment and income taxes, insurance premiums, charges and other expenses it incurs in connection with its performance of the Purchase Order, except as expressly provided in a written agreement signed by Purchaser. All employees and agents of Seller or its respective contractors are employees or agents solely of Seller or such contractors, and not of Purchaser, and are not entitled to employee benefits or other rights accorded to Purchaser's employees. Purchaser is not responsible for any obligation with

respect to employees or agents of Seller or its contractors.

28. **Battle of the Forms Not Applicable.** The parties have agreed and it is their intent that the battle of the forms Section 2-207 of the Uniform Commercial Code shall not apply to these Terms or to any invoice or acceptance from the Seller relating to these Terms. It is the parties' intent that these Terms shall exclusively control the relationship of the parties and in the event of any inconsistency between any invoice or acceptance form sent by Seller to Purchaser and these Terms, these Terms shall control.