



PURCHASE ORDER TERMS AND CONDITIONS

1. **AGREEMENT:** This order is an offer to buy by Buyer, and Buyer rejects any prior offers to sell made by Seller. If this order nevertheless is in legal effect an acceptance of a prior offer by Seller, then Buyer's acceptance is conditional upon Seller's assent to all terms of this order that are additional to or different from the terms of Seller's offer. By signing and returning a copy of this order or by shipping the products covered by this order (the "products") or performing the services covered by this order (the "services"), Seller accepts and agrees and assents to all of the terms contained in this order. Acknowledgement of this order on the Seller's own form shall be deemed as for its own internal administrative purposes only and shall not have the effect of altering the terms and conditions of this order as set forth herein.
2. **PRICE AND PAYMENT:** Unless Buyer agrees otherwise in writing, Buyer shall not be required to pay any sales, use or other taxes arising because of Buyer's purchase from Seller. Buyer shall not be required to pay any late charge, interest, finance charge or similar charge. Payment shall be in U.S. dollars, unless otherwise agreed to in writing prior to the issuance of this order. Payment terms, including discount periods, shall run from the latest of (i) the scheduled date for delivery or performance, (ii) the actual date of delivery of conforming products or performance of conforming services, (iii) the date of Seller's invoice, (iv) in the case of capital equipment, completion of Buyer's final inspection and acceptance after installation, and (v) in the case of tooling, approval by Buyer of production pieces produced by the tooling.
3. **DELIVERY:** Unless Buyer agrees otherwise in writing, in all transactions within the United States the products shall be delivered F.O.B. Seller's facility. Unless Buyer agrees otherwise in writing, in all transactions involving one or more parties outside of the United States, the products shall be delivered Ex Works (Incoterms 2000) Seller's facility. Deliveries shall be made both in quantities and at time specified in schedules furnished by Buyer or by Buyer's Planner. Time of delivery is of the essence, and Buyer's stated delivery or performance date and the date for performance of any other obligation of the Seller shall not be extended or excused for any reason. Buyer shall not be liable for payment for quantities in excess of those specified. Buyer reserves the right to change delivery schedule or direct temporary suspension of scheduled shipment. Seller will immediately give written notice to Buyer setting forth the reason and extent of any anticipated delay in scheduled shipment.
4. **EXPORT AND IMPORT REQUIREMENTS; DRAWBACK AND REFUND RIGHTS.** Seller shall prepare, maintain, and to the extent that applicable law, regulation or customs authority requires it to do so, submit to the applicable customs authorities all information and documentation that is necessary to comply with the applicable customs and export and import requirements of each country from which the products will be exported and each country into which they will be imported, and Seller shall comply with all other applicable customs requirements. Whenever Buyer requests it to do so, Seller shall promptly furnish to Buyer copies of that information and documentation. Seller is solely responsible for complying with all technical compliance and country of origin requirements of each country into which the products are to be imported. Seller assigns and transfers to Buyer all transferable customs duty and tax drawback or refund rights relating to the products, including rights developed by substitution and rights that Seller acquires from its suppliers. Seller shall promptly inform Buyer of each such right and, upon Buyer's request, shall promptly provide to Buyer all documents and information that are required for Buyer to obtain each such drawback and refund.
5. **SHIPMENT:** If in order to comply with Buyer's required delivery date it becomes necessary for Seller to ship by a more expensive way than specified in this purchase order, any increased transportation costs resulting therefrom shall be paid for by Seller unless the necessity for such rerouting or expedited handling has been caused by Buyer.

6. **BLANKET ORDER:** If the face of the order states that it is a blanket purchase order or blanket purchasing agreement, then, except to the extent otherwise expressly stated on the face of the order, (1) Seller is obligated to deliver to or perform for Buyer all products or services that Buyer orders or releases during the period or in accordance with any delivery or performance schedule specified on the face of the order, (2) Buyer is not obligated to order, release or purchase from Seller any particular quantity or volume of products or services, regardless of any estimates or projections of future purchases, and (3) Buyer may purchase any or all of the products or services from others. Any exceptions to this requirement will be mutually agreed upon in writing in advance of order placement.
7. **WARRANTY:** Seller expressly warrants that all the products and services will conform to the specifications, drawings, samples or other description furnished or specified by Buyer, and will be merchantable, of the highest quality material and workmanship, free from defect and fit and sufficient for the purposes intended.
8. **CANCELLATION:** a) Buyer reserves the right to cancel all or any part of the order if Seller fails to make deliveries as scheduled, or fails to make progress so as to endanger performance of the order or if Seller breaches any of the terms hereof, including the warranties of the Seller. Buyer also reserves the right to cancel all or any part of the order at any time at its sole discretion, unless otherwise agreed to in writing. b) Buyer may forthwith cancel this order should the Seller permit or suffer the filing of an involuntary or voluntary petition to have Seller declared bankrupt, the appointment of a receiver or trustee for Seller of an assignment for the benefit of creditors or other comparable event. c) When Seller receives notice of termination, Seller shall, unless otherwise directed by Buyer, stop work and acquisition of materials under this order and protect all property in Seller's possession in which Buyer has or may acquire an interest. Buyer will pay to Seller, without duplication, (1) the purchase price for conforming products or services that Seller shall have completed and delivered or performed (as applicable) in accordance with the provisions of the order and that Buyer shall not have paid for and (2) the actual costs that Seller incurs and that are properly allocable or apportionable under recognized commercial accounting practices to the terminated portion of the order, but not to exceed the purchase price for the terminated portion of the order, less (a) any payments that Buyer made and (b) the value to Seller of any raw materials, work-in-process and finished products that Seller retains and that are allocable to the terminated portion of the order under such practices. Buyer will pay these amounts after Seller delivers to Buyer any completed products. If Buyer shall have made payments of the purchase price to Seller that in the aggregate exceed the total amounts payable by Buyer to Seller under the preceding provisions, then Seller shall promptly refund the excess to Buyer. Termination under this subparagraph shall terminate only Seller's obligation and right to deliver products or provide services under any provision of the order other than this subparagraph and shall not terminate or impair Seller's other obligations, or any of Buyer's rights, under the order. Any claim by Seller for adjustment under this clause must be asserted within thirty (30) days from date of receipt by Seller of the notification of termination.
9. **INSPECTION:** a) All material received shall be subject to Buyer's inspection and rejection. Buyer's payment of the purchase price does not indicate its acceptance of the products or services. Without limiting other rights and remedies available to Buyer, Buyer may, at its option, return non-conforming products to Seller, at Seller's risk and expense, and require Seller either to give Buyer full credit against the price or promptly to repair or replace the products at Seller's risk and expense; or retain such products and set off losses against any amount due Seller; or repair or replace such products and charge Seller with the expense. In addition to Buyer's rights set out herein, Buyer has all of the other rights and remedies that law gives to buyers, including the right to recover incidental and consequential damages resulting from any breach by Seller. Buyer will not lose any right just because it did not exercise it. Buyer will have the full statutory period of limitations to bring any action arising out of Buyer's agreement with Seller. b) Buyer, Buyer's customer, and/or authorized representative reserves the right to verify, at the Seller's premises that all work being covered by this order conforms to specified requirements.
10. **CHANGE:** Buyer may at any time, by written order, make changes in or addition to any one or more of the following: a) drawings, designs, or specification; b) method of shipment or packaging; c) time and place of delivery; or d) quantity of the products or extent of the services. If any such change causes an increase or decrease in the cost of, or the time required for performance of any part of the effort under this order, an equitable adjustment shall be made in the price or delivery schedule or both, and this order shall be modified in writing accordingly. Any claim by Seller for adjustment under this clause must be asserted within thirty (30) days from date of receipt by Seller of the notification of change. Where the cost of property made obsolete or excess as the result of a change in included in Seller's claim for adjustment, Buyer will have the right to take title thereto and to prescribe the manner of disposition of such property.

11. **MATERIAL FURNISHED BY BUYER:** Any material furnished by Buyer, on other than a charge basis, in connection with this order and that is anticipated to be used in the products shall be held by the Seller on consignment. All such material not used in the products shall, as directed, be returned to Buyer at Buyer's expense and, if not accounted for or so returned, shall be paid for by Seller.
12. **TOOLS:** a) All dies, tools, gauges, fixtures, molds, patterns and/or like material furnished and/or paid for by the Buyer for production of the products are and shall remain the sole property of the Buyer. Seller shall at all times cover said items with full fire and extended coverage. Buyer reserves the right at any time and, for any reason to demand or visit the premises of Seller to reclaim possession of same. Upon conclusion of this order, said items of tooling shall be promptly returned to Buyer, at Buyer's expense, in as good condition as when received, ordinary wear and tear accepted. b) Unless otherwise herein agreed, when Seller: furnishes special dies, tools, gauges, fixtures, molds, patterns and/or materials that are necessary for the particular production of the products or materials covered by this order, Buyer will have the option to take possession and title to such items upon paying the Seller the unamortized cost thereof; provided further that this option shall not apply if the products hereby ordered are the standard product of the Seller, or if substantial quantities of like products are being sold by Seller to others.
13. **PATENTS:** In accepting this order, Seller agrees to defend, protect, and save harmless Buyer, its successors, assigns, customers and users of its products, against all suits at law or in equity, and from all damages, claims and demands for actual or alleged infringement of any United States or foreign patent, copyright or intellectual property or proprietary rights by reason of the use or sale of the products ordered.
14. **SERVICES:** If this order covers the performance of labor or the rendering of a service for or to the Buyer, Seller agrees to indemnify and protect Buyer against all liability, claims or demands for injuries or damages to any person or property growing out of the performance of this order. Seller further agrees to provide insurance coverage with limits satisfactory to Buyer for workmen's compensation, employer's liability, general liability (bodily injury and property damage) and automotive liability (bodily injury and property damage) and to provide evidence of such coverage to Buyer. The providing of such insurance coverage and evidence of the same shall not be in satisfaction of Seller's liability hereunder, or in any manner modify Seller's indemnification of Buyer.
15. **NON-DISCRIMINATION CLAUSE:** The Seller agrees and warrants that in performance of this order, it will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religion, age, sex, marital status, physical or learning disability, sexual orientation, national origin, political belief, mental retardation, or past or present history of mental disorder, unless it is shown by such company or contractor that the physical or mental disability prevents performance of the work involved.
16. **GOVERNMENT CONTRACTS.** If Buyer will use the products or services in connection with a contract with the United States or other government, then all terms and conditions that the government contract or any law or regulation requires to be included in any contract formed pursuant to the order ("Government Terms") are incorporated in the order by reference. If any provision of the order is inconsistent with any Government Term, then the Government Term shall control.
17. **PROPRIETARY INFORMATION; CONFIDENTIALITY; ADVERTISING:** Seller shall consider all information furnished by Buyer to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this order, unless Seller obtains written permission from Buyer to do so. This paragraph shall apply to drawings, specifications, or other documents prepared by Seller for Buyer in connection with this order. Seller shall not advertise or publish the fact that Buyer has contracted to purchase products from Seller, nor shall any information relating to the order be disclosed without Buyer's written permission. Unless otherwise agreed in writing, no commercial, financial or technical information disclosed in any manner or at any time by Seller to Buyer shall be deemed secret or confidential and Seller shall have no right against Buyer with respect thereto except such rights as may exist under patent laws.
18. **LIMITATION ON LIABILITY; INDEMNIFICATION:** Buyer shall not under any circumstances be liable for any consequential, incidental, special, exemplary, indirect or punitive damages arising out of or relating to this order or the products or services. Seller shall defend, indemnify and hold harmless Buyer against all damages, claims or liabilities and expenses (including attorney's fees) arising out of or resulting in any way from: any breach by Seller of any of its warranties to, or agreements with, Buyer, including without limitation this order; products or services purchased hereunder; any act or omission of Seller, its agents, employees or subcontractors; and/or any death, injury or damage to any person or property alleged to have been caused by the products or services or by Seller's manufacture of the products or performance of the services. This

indemnification shall be in addition to the warranty obligations of Seller.

19. **FORCE MAJEURE:** Buyer may delay delivery or acceptance occasioned by causes beyond its reasonable control. Seller shall hold such products at the direction of the Buyer and shall deliver them when the cause affecting the delay has been removed. Buyer shall be responsible only for Seller's direct additional costs in holding the products or delaying performance of this agreement at Buyer's request. Cause beyond Buyer's reasonable control shall include, without limitation and by way of example, acts of God, acts of war, terrorism or civil disturbance, epidemics, governmental action or inaction, strike or other labor trouble, fire, earthquake, unavailability of materials, power, or communication, equipment or tooling failure or interruption, or other causes similarly beyond Buyer's control.
20. **OTHER TERMS:** This order shall be interpreted in the English language only. No translation into any other language shall be considered in its construction for any purpose. This order is to be governed and interpreted according to the laws of the State of Michigan, USA, excluding the United States Convention on Contracts for the International Sale of Goods. Any action arising out of or relating to this order may be brought in any federal or state

court in Ottawa or Kent County, Michigan, USA having jurisdiction over the subject matter, and may handle any action based on or arising out of this order, and Seller irrevocably consents that the court shall have personal jurisdiction over Seller and waives any objection that the court is an inconvenient forum. Nothing contained in this order or the performance hereof shall make Buyer or Seller an employee, agent, representative, joint venture or partner of the other for any purpose. This order is non-assignable by Seller. Seller will not have and waives any security interest in or lien, including any statutory lien, upon any material furnished by Buyer or the products. Buyer may deduct from, and set off against, any amounts at any time owing to Seller under this order any damages or other amounts then owing to Buyer or any of its affiliates by Seller, whether under this order or otherwise. The remedies reserved in this order are cumulative and in addition to any other further remedies provided in law or equity. No waiver or breach of any provision of this order shall constitute a waiver of any other breach, or of such provision. Seller has not made any promises or representations to Buyer, and Buyer has not made any to Seller, concerning the subject matter hereof that are not in this order. Any change in, or waiver of, any provision of this order must be contained in a writing signed by Buyer.

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