

GLOBAL TERMS
FOR PRODUCTION PARTS AND NON-PRODUCTION GOODS AND SERVICES

GENERAL

These terms and conditions, together with all documents issued by Reydel Automotive B.V. and its Affiliated Companies¹ (together "Reydel") and specifically referenced herein, whether in written or electronic form, including, but not limited to Reydel's Supplier Manual ("Supplier Manual") and applicable Reydel Regional Addendums ("Regional Addendums"), as those documents may be amended from time to time, comprise the Reydel Global Terms for Production Parts and Non-Production Goods and Services (hereafter the "Terms and Conditions"). The Terms and Conditions are issued on behalf of Reydel as the "Buyer" and will apply to all production and non-production purchase orders, scheduling agreements, blanket purchase orders, tooling purchase orders, prototype purchase orders and other agreements, individually and collectively, ("Purchase Order(s)") issued to the Seller for production and non-production goods and services ("Goods"). The Terms and Conditions together with the Purchase Orders and, to the extent consistent therewith, terms memorialized in applicable Pre-Sourcing Nomination Letters, Target Agreements, Sourcing Involvement Letters or Award Letters signed by an authorized Reydel representative ("Early Sourcing Documents"), represent the entire agreement between the parties in connection with Seller's sale of Goods to Buyer hereunder. The current version of the Supplier Manual and Regional Addendums can be found on our Supplier Portal located at <http://www.reydel.com/suppliers>.

1. AGREEMENT AND ACCEPTANCE

(a) The Terms and Conditions, together with the Purchase Order and, to the extent consistent therewith, the Early Sourcing Documents, constitute the parties' contractual agreement and supersede any previous oral or written representations, including but not limited to provisions in Seller's quotations, proposals, acknowledgments or other documents. No course of dealing or usage of trade shall be applicable unless expressly incorporated in a Purchase Order or the Terms and Conditions. The Terms and Conditions may not be varied or modified in any manner, unless in a subsequent writing signed by Buyer's Global Purchasing Director. Buyer may modify the Terms and Conditions with respect to future Purchase Orders by posting revised terms and conditions on our Supplier Portal located at <http://www.reydel.com/suppliers> and such revised Terms and Conditions shall apply to all Purchase Orders issued by Buyer thereafter.

(b) Seller's written acknowledgment, commencement of work on the Goods, or shipment of such Goods, whichever occurs first, shall be deemed an effective mode of acceptance of the Purchase Order and these Terms and Conditions. By accepting a Purchase Order, Seller acknowledges having actual knowledge of the text of documents referenced in these Terms and Conditions including, but not limited to, the Supplier Manual and Regional Addendums. Any proposal for additional or different terms or any attempt by Seller to vary in any way any of the terms of this offer is hereby objected to and rejected. Any such proposal shall not operate as a rejection of this offer unless the variances are in the terms of the description, quantity, price or delivery schedule of the Goods, but shall be deemed a material alteration. Accordingly, this offer shall be deemed accepted by Seller without such additional or different terms. If the Purchase Order and these Terms and Conditions shall be deemed an acceptance of a prior offer by Seller, the acceptance is expressly made conditional on assent to the additional or different terms and such acceptance is limited to the express terms set forth in the Purchase Order and these Terms and Conditions. Additional or different terms or any attempt by Seller to vary in any way any of the terms of the Purchase Order or these Terms and Conditions shall be deemed material and are objected to and rejected.

2. MODIFICATIONS

(a) Buyer shall have the right to make or cause Seller to make any changes, additions or alterations in the

¹ "Affiliated Companies" shall mean any person, partnership, joint venture, corporation, or other form of enterprise, domestic or foreign, including, but not limited to, subsidiaries, that directly or indirectly control, are controlled by, or are under common control with Reydel Automotive B.V. For purposes of this definition, "control" means the power to, directly or indirectly, direct or cause the direction of, the management or operating policies of an entity through the ownership or control of at least 25% of the voting stock, partnership interests or other ownership interests.

quantities, destination(s), specifications, drawings, manufacture, design or delivery schedules related to Seller's supply of the Goods. If any such changes affect Seller's costs or timing, Buyer may, in its sole discretion, adjust the price or time for performance where the Seller's direct costs are materially affected by such changes as substantiated by documentation in such form and detail as Buyer may request. If any such change results in a decrease in Seller's direct costs, the price of the Goods may, at Buyer's discretion, be adjusted accordingly. Any request by Seller arising under this Section 2 for an adjustment in price or terms must be made within thirty (30) days of the change or modification directed by Buyer hereunder. All changes in price or terms and adjustments hereunder must be in writing and signed by an authorized Reydel representative.

(b) Seller will not make any change to the design, manufacturing process, manufacturing location(s), raw materials purchased component parts, packaging, marking, shipping methods and/or the date or place of delivery of the Goods unless done pursuant to Buyer's instructions or with Buyer's prior written approval.

3. SUPPLIER QUALITY AND DEVELOPMENT; SAMPLES; PPAP; PARTS IDENTIFICATION; IMDS; AND EDI

(a) Seller will conform to the Buyer's quality control standards and inspection systems, as specified in the Supplier Manual, as well as related standards and systems (including without limitation, Buyer and Buyer's customer's quality control policies, ISO TS16949:2009). Seller will participate in any supplier quality and development programs of Buyer and Buyer's customers that apply to the Goods described in a Purchase Order.

(b) Seller agrees to meet the full requirements of industry Production Part Approval Processes ("PPAP") as specified by Buyer and Buyer's customers and agrees to present this information to Buyer upon request and at the level requested.

(c) Sellers providing Goods under a Purchase Order shall be required to successfully enter all required bill of material and material composition data into the International Material Data System ("IMDS") or into a Buyer approved alternative system prior to prototype submission, initial PPAP and PPAPs for subsequent design changes. Failure to successfully submit all information required by IMDS will prevent the Seller from receiving PPAP approval.

(d) Seller agrees to meet the full requirements of the Buyer's AIAG Electronic Data Interchange ("EDI") standards and Buyer's Proprietary Direct Data Link ("DDL") Requirements as specified in the Supplier Manual.

4. BUYER'S PROPERTY

The right, title and interest to all Goods, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, designs, drawings, specifications, spare parts, trial parts, ancillary products, dunnage, racks, containers, items owned by Buyer and other items furnished by Buyer to Seller for use in manufacturing the Goods, or for which Seller is paid or otherwise reimbursed by Buyer, shall be and remain the property of Buyer ("Buyer's Property"). Seller shall bear the risk of loss and damage to Buyer's Property. Seller will (a) properly house and maintain Buyer's Property on Seller's premises; (b) not use Buyer's Property for any purpose other than for performance under the Purchase Order; (c) prominently mark Buyer's Property as property of Buyer; (d) refrain from commingling Buyer's Property with the property of Seller or with that of a third party; (e) adequately insure the Buyer's Property against loss or damage, including, but not limited to, maintaining full fire and extended insurance coverage for replacement value and naming Buyer as an additional insured on such policies; (f) take reasonable steps to ensure that Buyer's Property does not become subject to any liens or other claims; and, (g) not move Buyer's Property to another location whether owned by Seller or a third party, without the prior written consent of Buyer. In the case of an emergency, Seller may move Buyer's Property provided that Seller gives Buyer notice that Buyer's Property has been moved and the identifies the new location of Buyer's Property as soon as practicable. Buyer will have the right to enter Seller's premises at reasonable times to inspect Buyer's Property and Seller's records pertaining thereto. Seller expressly waives and releases any and all statutory, equitable or other liens, including, but not limited to, any molder liens, special tool liens, builder liens and the like, that Seller has or might have on or in connection with Buyer's Property for any and all work, including, but not limited to, designing, manufacturing, improving, maintaining, servicing, using, assembling, fabricating or developing Buyer's Property. Seller hereby agrees to indemnify, defend and hold Buyer harmless from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including without limitation all attorney fees and any other costs of litigation that are in any way

related to releasing, terminating or otherwise removing any such liens placed on Buyer's Property. Seller will assign to Buyer any claims Seller has against third parties with respect to Buyer's Property. Upon written request, Seller, at its expense, shall immediately deliver the Buyer's Property at Buyer's option, Ex Works (Seller's facility loaded), FCA (Port or Carrier), CIP (port of entry) or DAP/DDP (Buyer's Premises)(per INCOTERMS 2010), and in all cases properly packed and marked in accordance with the requirements of the carrier and Buyer. Seller will cooperate with Buyer's removal of Buyer's Property from Seller's premises. Seller shall assume all risk of death or injury to persons or damage to property arising from use of Buyer's Property. Unless otherwise agreed to in writing by Buyer, Seller, at its own expense, shall keep Buyer's Property in good condition and repair, including repair necessitated by wear and tear and other usage by Seller. In the event that it becomes necessary, as determined by either Buyer or Seller, to replace Buyer's Property due to normal use by the Seller, or otherwise, said replacement of Buyer's Property shall be at the sole expense of the Seller and said replacement Buyer's Property shall remain the property of the Buyer. Seller assumes sole responsibility for inspecting, testing and approving all Buyer's Property or other materials supplied by Buyer prior to any use by Seller. Seller shall assume all risk of death or injury to persons or damage to property arising from use of the Buyer's Property or other materials supplied by Buyer and hereby agrees to indemnify Buyer against the same.

5. SELLER'S PROPERTY

Seller, at its expense, shall furnish, keep in good working condition capable of producing Goods meeting all applicable specifications and warranties, and replace when necessary, all machinery, equipment, tools, dies, jigs, fixtures, gauges, dies, molds, patterns, software, purchased component parts, intellectual property and other items that are not Buyer's Property and that are necessary for the production of Goods ("Seller's Property"). Seller will insure Seller's Property with full fire and extended insurance coverage for its replacement value. If Seller uses Seller's Property to produce goods or services similar to Goods for other customers, including aftermarket customers, such goods or services will not incorporate or utilize any of Buyer's intellectual property, including, but not limited to, logos, trademarks, patents, trade names, part numbers, trade dress, know-how or industrial design rights. Seller grants to Buyer an irrevocable option to take possession of and title to Seller's Property that, in Buyer's sole judgment, is necessary for the production of the Goods under the Purchase Order upon payment to Seller of the lesser of the outstanding unrecovered capitalization (recovered in piece price or otherwise) or the fair market value of Seller's Property at the time Buyer exercises the option. Buyer may exercise this option at any time and in the event of termination or expiration of a Purchase Order, and upon such exercise by Buyer, Seller will cooperate with Buyer's removal of the property from Seller's premises. This option shall not apply if Seller's Property is used to produce goods that are the standard stock of Seller or if a substantial quantity of like goods are being sold by Seller to others.

6. CONTRACT DURATION, QUANTITIES, RELEASES, DELIVERY DATES AND TITLE TRANSFER

(a) Subject to Buyer's termination rights, and unless otherwise stated in the Purchase Order, the agreement formed by a Purchase Order is binding on the parties for one year from the date the Purchase Order is transmitted to Seller or, if an issuance date is stated on the Purchase Order, one year from that date. Subject to Buyer's termination rights, and unless otherwise stated in the Purchase Order, the Purchase Order will automatically renew for successive one-year periods after the initial term unless Seller provides written notice at least 180 days prior to the end of the then current term of its desire that the Purchase Order not be renewed. Upon receipt of Seller's written notice of non-renewal, Buyer shall have the option to extend the Purchase Order for an additional 180 days beyond the term by giving notice of such extension to Seller ("Extended Term") no later than 30 days prior to the end of the term of the Purchase Order. If Buyer requests an Extended Term, the Purchase Order will terminate at the end of the Extended Term. Upon the expiration of any Purchase Order term or any Extended Term, Seller shall cooperate with Buyer and provide all reasonably requested support and information required by Buyer to facilitate Buyer's sourcing of the Goods to a replacement supplier.

(b) Quantities listed or referenced in each Purchase Order are Buyer's best estimate of the quantities that it might purchase from Seller for the contract term specified in the Purchase Order. If no quantity is stated (either by specific units or a percentage of Buyer's requirements) or if the quantity stated is zero, then: (i) Seller is obligated to supply Buyer's stated requirements for the Goods in quantities as specified by Buyer in releases issued to Seller; (ii) unless expressly stated on the face of the Purchase Order, Buyer is not required to purchase the Goods exclusively from Seller; and (iii) Buyer is required to purchase no less than one piece or unit of each of the Goods and no more than those quantities identified as firm releases transmitted by Buyer to Seller; for services, Buyer is required to

purchase such services to the extent expressly stated as a firm order in a Purchase Order or statement of work issued by Buyer. The Buyer may provide Seller with estimates, forecasts or projections ("Estimates") of its future volume or quantity requirements for the Goods. These Estimates are not a commitment by the Buyer to purchase the quantities specified in the Estimate. Seller acknowledges that Estimates, like any other forward looking assumption, are based on a number of economic and business factors, variables and assumptions, some or all of which may change over time, and may or may not be accurate at the time they were made or later.

(c) If delivery dates are not specified in a Purchase Order, Seller will procure materials and fabricate, assemble, and ship Goods or provide services only as authorized in releases issued to Seller by Buyer. The quantities indicated shall be shipped on the day(s) and time(s) specified by the Buyer. Schedule requirements may include shipping on any Saturday, Sunday, local/international holiday and/or other Seller downtime. Raw material purchase authorization and fabrication authorization are included in Buyer's planning (830) releases or specified on the Purchase Order for non EDI Buyer plants.

(d) Buyer is not obligated to accept and may return over shipments, early deliveries, late deliveries, and partial deliveries to Seller at Seller's risk and expense, including, but not limited to, all packing, handling, sorting, and transportation related costs. Buyer, at any time may change or temporarily suspend shipping schedules specified in a Purchase Order or release or other written instructions issued by Buyer pursuant to this Section, neither of which entitles Seller to modify the price for Goods covered by a Purchase Order.

(e) Unless otherwise agreed, delivery times specified are the times of delivery of the Goods at Buyer's designated place of delivery or destination. If delivery is not timely made, Buyer may, in addition to its other rights and remedies, direct Seller to make expedited routing at Seller's expense. Time and quantity are of the essence in any Purchase Order.

(f) Title to the Goods will remain with the Seller until the earlier of when such Goods are consumed in the process of producing products at the Buyer's plant or upon expiration of five (5) Buyer's plant working days after such Goods are received at the Buyer's plant. Unless otherwise specified on the face of the Purchase Order, the risk of loss or damage to the Goods shall be the responsibility of Buyer after receipt at the Buyer's plant or facility.

7. PACKING, MARKING, SHIPPING AND CUSTOMS

(a) Seller will package, label, mark and ship the Goods in accordance with all applicable packaging standards of Buyer as specified in the Supplier Manual and, as appropriate, the carrier transporting such Goods and/or the law of the country of destination. Seller will reimburse Buyer for all expenses incurred by Buyer as a result of any improper packaging, marking, routing, or shipping of the Goods.

(b) Buyer may require shipment of any of the Goods by a more expeditious method of transportation if Seller fails to meet the shipping requirements of a Purchase Order and Seller will bear the cost of such transportation unless such failure is due to an Excusable Delay as specified in Section 22. It is the Seller's responsibility to comply with shipping to the current routing instructions provided by the Buyer or Buyer's agent. Seller shall pay any costs incurred by Buyer, including costs charged by Buyer's customers to Buyer as a result of Seller's failure to comply with shipping or delivery requirements.

(c) Seller will comply with all applicable customs related laws and governmental agency rules and regulations related to the import and export of the Goods, including, but not limited to, those related to documentation and invoicing, free trade agreements, country of origin marking or labeling, local content requirements, dumping and cargo security. Any and all benefits and credits resulting from Seller's performance under a Purchase Order with Buyer, including, but not limited to, trade credits, export credits, customs drawbacks, rebates of taxes and fees will belong to the Buyer unless otherwise stated in the Purchase Order or prohibited by applicable law. A complete description of Buyer's customs related requirements can be found in Buyer's Supplier Manual.

8. INSPECTION

Buyer may inspect the Goods during any stage of their manufacture, construction, preparation, delivery or completion. Buyer and Buyer's customers shall have the right to enter onto Seller's premises at reasonable times to inspect the facility, supplies, materials and any of the Buyer's Property covered by a Purchase Order. Seller agrees to

provide any and all supporting documentation required by Buyer or Buyer's customers in the course of such inspection. At Buyer's request, Seller shall submit production and quality test reports and related data. Notwithstanding payment or prior inspection, Buyer, in addition to any other remedies that it may have, 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. If Buyer elects to correct the Goods, it will consult with Seller on the method of correction. Seller will reimburse Buyer for any and all expenses resulting from or related to the rejection, correction or containment of any non-conforming Goods and all such issues shall be processed in accordance with Buyer's Supplier Manual. Rejected Goods shall be removed by the Seller at its expense and at its risk. Buyer's acceptance of the Goods shall not, under any circumstance, be deemed a waiver with respect to breach of Seller's warranties, latent defects in the Goods or misrepresentations of Seller.

9. INVOICES, PAYMENT

(a) Seller will operate in accordance with all applicable payment guidelines provided by Buyer, as referenced in the Supplier Manual, which cover both invoiced items and those handled by Buyer's Evaluated Receipt System ("ERS"). Additionally, any action by Seller for nonpayment of Goods under any Purchase Order must be commenced within one (1) year after the Goods are delivered to Buyer, regardless of Seller's lack of knowledge of the nonpayment or other event giving rise to such action.

(b) Unless otherwise indicated on the face of the Purchase Order, Buyer's Standard Payment Terms will apply to all payments due for Goods pursuant to a Purchase Order. Buyer's Standard Payment Terms are available on our Supplier Portal located at <http://www.reydel.com/suppliers>.

(c) Seller agrees that all of its accounts with Buyer shall be administered on a net settlement basis and that Buyer may set off debits and credits, including Buyer's attorney fees and other professional fees and costs incurred to enforce or protect its rights under a Purchase Order, against any of Seller's accounts regardless of basis for such debits and credits and without advance notice. For the avoidance of doubt, in this Section 9 (c), "Buyer" includes Reydel and its Affiliated Companies and "Seller" includes any of Seller's parents, subsidiaries and affiliates.

(d) Unless a Purchase Order specifically states otherwise, all payments for Goods shall be made in the local currency of the Seller's manufacturing location for the Goods or in the case of services, in the local currency of Buyer's location that receives the services.

(e) If an obligation of Seller or any of its subsidiaries or affiliates to Buyer or any of its Affiliated Companies is disputed, contingent or unliquidated, Buyer or any of its Affiliated Companies may defer payment of all or any portion of the amount due until such obligation is resolved. Without limiting the generality of the foregoing and by way of example only, in the event of a bankruptcy of Seller, if all of the Purchase Orders between Buyer and Seller have not been assumed, then Buyer may defer payment to Seller, via an administrative hold or otherwise, for Goods against potential rejection and other damages.

10. SERVICE AND REPLACEMENT PARTS

(a) At Buyer's request, Seller will sell to Buyer, or Buyer's designee, the Goods representing production parts or components necessary to fulfill Buyer's current and past model service and replacement requirements for such Goods at the prices specified in the Purchase Order plus any actual cost differential for packaging. If Buyer requires parts that are components of larger assemblies that together comprise the Goods ("Subcomponents"), Seller will sell such Subcomponents to Buyer at prices determined as follows: (i) with respect to any Subcomponents purchased by Seller, the price shall be the actual price paid by Seller to the manufacturer or distributor of such Subcomponent, plus any actual cost differential for packaging; and, (ii) with respect to Subcomponents manufactured or assembled by Seller, the price shall be such that the total price of all Subcomponents which comprise the Goods does not exceed the price of the Goods specified in the Purchase Order, less assembly costs, plus any actual cost differential for packaging. In no instance, however, shall the price of any individual Subcomponent exceed Seller's actual cost to manufacture and/or assemble such Subcomponent plus any actual cost differential for packaging.

(b) At Buyer's request during the fifteen (15) year period after Buyer completes its current model purchases of the Goods, Seller will sell to Buyer or Buyer's designee Goods and Subcomponents necessary to fulfill Buyer's past

model service and replacement requirements and other requirements at the prices determined in accordance with Section 10(a) above. During the fifteenth year of such period, Buyer and Seller will, at Buyer's request, negotiate in good faith with regard to Seller's continued supply of Goods and Subcomponents hereunder.

11. APPLICABLE TAXES

(a) The total price specified for Goods on a Purchase Order will include any and all freight, duty and taxes, as specified in the relevant delivery term, with the exception of the following items, which, if applicable, must be identified and listed separately on Seller's invoice: (i) any U.S. state or local sales or use tax imposed on the transaction, as covered by clause 11(b) below; and (ii) any value-added tax ("VAT") imposed on the transaction by countries or tax authorities outside of the U.S. where Buyer has agreed to reimburse Seller for such tax.

(b) For Goods to be provided to U.S. destinations by U.S. suppliers, most purchases will be covered by clauses 11(c) and (d) below. If not covered by such provisions, Seller must include state or local sales or use tax if Seller is licensed to do so by the tax authorities of the destination state. Seller must identify the sales or use tax on Seller's invoice as a separate item.

(c) For production Goods shipped to U.S. destinations or services to be provided in the U.S., Seller will not charge to Buyer state or local sales or use taxes on such production Goods and services. Buyer will use or consume such Goods and services for resale or in industrial processing or manufacturing or will attach them to taxable goods for sale. Buyer shall furnish to Seller the applicable sales or use tax exemption certificate(s) upon request.

12. WARRANTY

(a) Seller expressly warrants and guarantees to Buyer, Buyer's successors, assigns and customers, and the users of Buyer's products, that all Goods delivered to Buyer will, during the Warranty Period defined below: (i) conform to the specifications, standards, drawings, instructions, advertisements, statements on containers or labels, descriptions and samples; (ii) be free from defects in material and workmanship and shall be new and of the highest quality; (iii) be free and clear of any liens, encumbrances and any actual or claimed patent, copyright or trademark infringement; (iv) be merchantable, safe and fit for the Buyer's intended purposes, which purposes have been communicated to Seller; (v) be adequately contained, packaged, marked and labeled; and (vi) be manufactured in compliance with all applicable federal, state and local laws, regulations or orders as well as any applicable agency or association standards. All services performed by Seller shall be performed in a competent, workmanlike manner. These warranties shall be in addition to all other warranties, express, implied or statutory. These warranties shall survive inspection, test, delivery, acceptance, use and payment by Buyer and shall inure to the benefit of Buyer, its successors, assigns, customers and the users of Buyer's products. These warranties may not be limited or disclaimed by Seller. Buyer's approval of Seller's design, material, process, drawing, specifications or the like shall not be construed to relieve Seller of the warranties set forth herein, nor shall a waiver by Buyer of any drawing or specification request for one or more articles constitute a waiver of any such requirements for the remaining articles to be delivered hereunder unless so stated by Buyer in writing.

(b) Notwithstanding the expiration of the Warranty Period, Seller will indemnify and hold Buyer harmless with respect to the cost of any voluntary or involuntary recall campaigns and other corrective service actions that, in Buyer's reasonable judgment, are required to rectify non-conformities in the Goods that are the result of a breach of the foregoing warranties, or which would have been a breach of the foregoing warranty had the non-conformity been discovered during the Warranty Period, whether such recall campaigns are mandated by any governmental entity, Buyer's customers or by the Buyer.

(c) "Warranty Period" shall mean the longer of the following time periods: (i) 36 months from the day of first use of the Goods by Buyer or acceptance by Buyer, whichever occurs later; or (ii) if the Supplies are utilized in new vehicles, the Warranty Period will continue for the same period as the new vehicle warranty period offered to retail purchasers in the country in which the vehicle is sold. For Goods purchased by Buyer as service and replacement parts, the Warranty Period will be the longer of the following time periods: (i) 24 months from delivery to Buyer's customer or (ii) the remainder of the warranty period on the vehicle on which the part is installed as a service or replacement part. Notwithstanding the foregoing, Seller agrees to waive the expiration of the Warranty Period in the event there are failures or defects discovered after the Warranty Period of a significant nature or in a significant portion of the goods, or a defect is discovered which, in Buyer's opinion, constitutes a threat of damage to property

or to the health and safety of any person.

13. DEFENSE, INDEMNITY AND INSURANCE

(a) To the fullest extent permitted by law, Seller agrees to indemnify, hold harmless and defend Buyer (which, for the avoidance of doubt, includes Reydel and its Affiliated Companies), and their directors, officers, employees, agents and customers ("Indemnitees") from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including without limitation all judgments rendered against, and all fines and penalties imposed upon, Indemnitees and all attorney fees and any other costs of litigation ("Liabilities") that are in any way related to Seller's performance or obligations under a Purchase Order, including claims arising out of a breach hereof, warranty claims, product recall claims, product liability claims, injuries to persons, including death, or damage to property caused by Seller, its employees, agents, subcontractors, or in any way attributable to the performance of Seller. 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 gross negligence or willful misconduct of Buyer. Seller agrees to indemnify, save harmless and defend Indemnitees from and against all Liabilities arising out of actual or alleged infringement, including infringement of any patent, trademark or copyright relative to the goods.

(b) If Seller provides services to Buyer on Buyer's premises, Seller shall be exclusively responsible for, shall bear, and shall relieve Buyer from liability for all loss, expense, damage or claims resulting from bodily injury, sickness or disease, including death at any time resulting therefrom, sustained by any person or persons, or on account of damage to or destruction of property, including that of Buyer, arising out of, or in connection with the performance of work on Buyer's premises except that Seller shall not be responsible for or relieve Buyer from liability for claims arising from the willful misconduct or the gross negligence of Buyer. Seller specifically waives any defense or claim that it is not required to defend and indemnify Buyer for a claim arising under this provision due to operation of any exclusive remedy provision of any state workers' compensation laws or equivalent federal legislation.

(c) Seller shall maintain insurance coverage in amounts not less than the following (i) Workers' Compensation Statutory Limits for the state or states in which this agreement is to be performed (or evidence of authority to self-insure) and Employer Liability insurance for not less than \$1 million combined single limit; (ii) Comprehensive General Liability (including Products / Completed Operations and Blanket Contractual Liability for not less than \$3 million combined single limit per occurrence; (iii) Automobile Liability insurance covering all owned, non-owned and hired vehicles with limits for not less than \$3 million combined single limit per occurrence; and, (iv) Such other liability insurance as may be required by the specific nature of a Purchase Order. Seller shall procure and maintain, at their own expense, the aforementioned coverages throughout the term of this Purchase Order from companies listed in the current "Best's Insurance Guide" as possessing a minimum policy holders rating of "A-" (Excellent) and a financial category no lower than "IX". At Buyer's request, Seller shall furnish certificates of insurance setting forth the amounts of coverage, policy numbers and dates of expiration for insurance maintained by Seller within ten (10) days of Buyer's written request. The above insurance policies of the Sellers shall be primary to any self-insurance or insurance policies carried by the Buyer. In addition, the Seller shall name the Buyer as additional insured on the Comprehensive General Liability, Automobile and Umbrella policy(ies). Such certificates shall provide that Buyer will receive 30 days prior written notification from the insurer of any termination or reduction in the amount or scope of coverages. Seller's purchase of insurance coverage and the furnishing of certificates of insurance shall not release Seller of its obligations or liability under this Purchase Order. In the event of Seller's breach of this provision, Buyer shall have the right to cancel the undelivered portion of any Goods and shall not be required to make further payments except for conforming Goods delivered prior to cancellation.

14. INFORMATION DISCLOSED BY SELLER

Seller agrees not to assert any claim against Buyer, Buyer's customers, or their respective suppliers, with respect to any information that Seller has disclosed or may disclose to Buyer in connection with the Goods covered by a Purchase Order, except to the extent expressly covered by a separate written confidentiality agreement or license agreement signed by Buyer or by a valid patent expressly disclosed in writing to Buyer prior to or at the time of a Purchase Order. Seller agrees that any information furnished to Buyer is disclosed on a non-confidential basis regardless of any markings except to the extent expressly covered by a separate written confidentiality agreement signed by Buyer.

15. INFORMATION DISCLOSED BY BUYER

Seller acknowledges that Buyer may disclose confidential information in connection with the Goods covered by a Purchase Order. Seller agrees to keep all confidential information of Buyer, whether such information is marked or identified as confidential, in the strictest confidence and shall not use such information for the benefit of Seller or any third-party without the prior express written approval of Buyer which may be withheld in Buyer's sole discretion. Seller's obligations under this section shall continue for a period of five (5) years from the date of disclosure or, in the case of trade secrets, in perpetuity. The restrictions and obligations contained in this Section impose no obligation upon Seller with respect to confidential information that Seller can demonstrate: (a) was in the Seller's possession before receipt from the Buyer, (b) is or becomes a matter of public knowledge through no fault of Seller, (c) is rightfully received by Seller from a third-party rightfully possessing such information without a duty of confidentiality, (d) is disclosed by the Buyer to a third-party without a duty of confidentiality on the third party; (e) is required to be disclosed by court order or other lawful governmental action, but only to the extent so ordered, and provided that Seller provides Buyer with reasonable prior notice of such disclosure so that Buyer may attempt to obtain a protective order, (f) is disclosed by the Seller with Buyer's prior written approval in accordance with such written approval, or (g) is independently developed by Seller without access to Buyer's confidential information.

16. PROPRIETARY RIGHTS

Seller agrees: (a) to defend, hold harmless and indemnify Buyer and its customers against all claims of direct or contributory infringement or inducement to infringe any patent, trademark, copyright or industrial design right or other proprietary right (including misuse or misappropriation of trade secret) and against any resulting damages or expenses, including attorney and other professional fees, settlements and judgments, arising in any way in relation to Goods procured or provided by Seller, including such claims where Seller has provided only part of the Goods, and Seller expressly waives any claim against Buyer that such infringement arose out of compliance with Buyer's specifications; (b) to waive any claim against Buyer, including any hold-harmless or similar claim, in any way related to a third-party claim asserted against Seller or Buyer for infringement of any patent, trademark, copyright or industrial design right or other proprietary right (including misuse or misappropriation of trade secret); (c) that Buyer and its customers have the worldwide, royalty free, fully paid up, irrevocable right to repair, have repaired, reconstruct, have reconstructed, rebuild or have rebuilt the Goods procured or provided by Seller; (d) that Goods or subcomponents thereof based on Buyer's designs, drawings or specifications shall not be used for Seller's own use or sold or provided to third-parties without Buyer's express written consent; (e) to promptly disclose and assign or cause to be assigned to Buyer each invention, discovery or improvement (whether or not patentable) that is conceived or first reduced to practice in the performance of the Purchase Order by Seller or by any person employed by or working under the direction of Seller, and shall sign or cause to be signed any documents necessary for Buyer to perfect title and obtain patent rights worldwide; and, (f) to the extent that the Purchase Order is issued for the creation of copyrightable works, as understood under United States law, that the works will be considered "works made for hire" and to the extent that the works do not qualify as such, to assign to Buyer upon delivery thereof all right, title and interest in all copyrights therein (including but not limited to source code). Except as expressly agreed by Buyer in a signed writing, all Goods or other deliverables provided under the Purchase Order will be original to Seller and will not incorporate any intellectual property rights of any third-party. Except as expressly agreed by Buyer in a signed writing, all Goods and other deliverables provided under the Purchase Order, and all related intellectual property rights, are owned solely by Buyer. At no additional cost, Seller agrees to grant and hereby grants to Buyer a worldwide, royalty free, fully paid up, transferable, irrevocable license to use any intellectual property owned by Seller that is necessary or incidental to the reasonably intended use or application of the Goods.

17. ADEQUATE ASSURANCE

In the event that Buyer reasonably believes that there exists a substantial uncertainty as to Seller's ability to perform its future material obligations under a Purchase Order, Buyer may (in addition to any other rights and remedies) request written assurances from Seller as to its continued ability to perform such obligations. In the event Seller fails to provide Buyer with such adequate assurance, Buyer may treat such failure as a material breach and default of a Purchase Order and, in addition to Buyer's rights and remedies under law, Buyer may terminate the Purchase Order for cause. In the event that Buyer's request for adequate assurance relates to Seller's financial viability, Buyer may require Seller to (a) provide detailed financial statements (e.g., balance sheet, income statement, statement of cash flow) for the most recent calendar close; (b) identify any non-compliances under any line of credit or debt

agreements, or any other material noncompliance that may impact Seller's credit rating or available credit; and/or, (c) provide access to information concerning any turnaround or restructuring activities that are planned or implemented by Seller to maintain its status as a going concern.

18. ELECTRONIC COMMUNICATIONS AND ELECTRONIC SIGNATURES

Seller shall comply with any method of electronic communication specified by Buyer, including requirements for electronic funds transfer purchase order transmission, production releases, electronic signatures, and communication.

19. ADVERTISING

Any reference to Buyer or any of its Affiliated Companies or use of Buyer's trademarks or logos by Seller in Seller's advertising or publicity materials is strictly prohibited without Buyer's express written consent.

20. ACCESS TO INFORMATION

Seller grants to Buyer access to all pertinent financial and operational information relating to (a) any of Seller's obligations under a Purchase Order, (b) Seller's financial viability, or (c) any payments requested by Seller pursuant to a Purchase Order. Buyer will have the right at any reasonable time to send its authorized representatives to examine all such information. Seller shall maintain all pertinent information relating to a Purchase Order for a period of at least four years after completion of services or delivery of Goods pursuant to that Purchase Order.

21. ASSIGNMENT

Each Purchase Order is entered into in reliance upon the Seller's personal performance of the duties imposed. Seller will not assign or delegate all or substantially all of its substantive duties under a Purchase Order, nor transfer to another any intellectual property right that is licensed to Buyer hereunder, without Buyer's prior and express written approval, nor assign any right to any receivable owed to Seller by Buyer hereunder. Any such assignment or delegation without the previous written consent of Buyer, at the option of Buyer, shall effect a cancellation of this Purchase Order. Any consent by Buyer to an assignment shall not be deemed to waive Buyer's right to recoupment from Seller and/or its assigns for any claim arising out of this transaction, and shall not prohibit Buyer from enforcing any of its rights against the assignee. Buyer will have the right to assign any benefit or duty under a Purchase Order to any third party upon notice to Seller with or without consent.

22. EXCUSABLE DELAYS

Any delay or failure of either party to perform its obligations shall be excused if it is caused by an extraordinary event or occurrence beyond the control of the non-performing party and without the non-performing party's fault or negligence, such as acts of God, fires, floods, windstorms, explosions, riots, acts of terrorism, natural disasters and wars (hereafter an "Excusable Delay"). Neither Seller's inability to perform as a result of Seller's insolvency or financial condition nor Seller's non-performance due to a change in price or availability of raw materials or components based on market conditions shall constitute an Excusable Delay. As soon as possible, but not later than one full business day after the occurrence of an Excusable Delay, Seller will provide notice to Buyer of the anticipated duration of the delay and the time in which the delay will be cured. During the delay or failure to perform by Seller, Buyer, at its option (a) may purchase the Goods from other sources and reduce its schedules to Seller by such quantities, without liability to Seller; (b) cause Seller to provide the goods from other sources in quantities and at times requested by Buyer at the price set forth in a Purchase Order; or (c) may request Seller to deliver to Buyer at Buyer's expense all finished goods, work in process and parts and materials produced or acquired for work under a Purchase Order. If the delay lasts more than (15) business days, Buyer may, among its other remedies, immediately cancel a Purchase Order without liability and procure replacement Goods from alternative sources. For the avoidance of doubt, labor disruptions, strikes, lockouts and slowdowns affecting Seller's facilities shall not give rise to Excusable Delay hereunder. Prior to the expiration of any directly related labor contract of Seller, Seller will, at its expense, take such actions as Seller may reasonably determine to ensure the uninterrupted production of supplies for a period of thirty (30) days for Buyer during any anticipated labor disruption or slowdown resulting from the expiration of the labor contract.

23. REMEDIES, WAIVER

Buyer's rights and remedies shall be cumulative and in addition to any other rights or remedies provided by law or equity. A waiver by Buyer of any right or remedy shall not affect any rights or remedies subsequently arising under the same or similar clause. Any attempt by Seller to limit Buyer's warranties, remedies or the amount and types of damages that Buyer may seek shall be null and void. BUYER SHALL NOT UNDER ANY CIRCUMSTANCES BE LIABLE TO SELLER FOR ANY PUNITIVE, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES.

24. TERMINATION

(a) Unless a Purchase Order specifically states otherwise, Buyer may terminate its purchase obligations under a Purchase Order, in whole or in part, at any time by providing written notice of termination to Seller. Buyer will have such right of termination notwithstanding the existence of an Excusable Delay of Section 22.

(b) Upon termination by Buyer pursuant to Section 24 (a), Buyer's obligation to Seller will be (i) the Purchase Order price for all finished work and completed services which conform to the requirements of a Purchase Order; (ii) Seller's reasonable costs of the work in process and parts and materials transferred to Buyer in accordance with subsection (g)(ii) hereof; (iii) Seller's reasonable costs of settling the claims by subcontractors of subsection (g)(iii) hereof; and (iv) Seller's actual cost of carrying out its obligations of subsection (g)(iv) hereof, but Buyer's obligations will not exceed those Buyer would have had to Seller in the absence of termination. Unless otherwise agreed in writing, Buyer shall have no obligation for and shall not be required to make payments to Seller, directly or on account of claims by Seller's suppliers and subcontractors, for loss of anticipated profit, overhead, product development and engineering costs, tooling, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, and general and administrative burden charges resulting from the termination of a Purchase Order.

(c) Seller will furnish to Buyer, within one month after the effective date of termination, Seller's proposed termination claim, which will consist exclusively of the items of Buyer's obligation to Seller that are listed in subsection (b) hereof. Buyer may audit Seller's records, before or subsequent to payment, to verify amounts requested in Seller's termination claim. Buyer shall evaluate and make a final binding decision with respect to such termination claim.

(d) In addition to its other remedies, Buyer may, at its option, terminate a Purchase Order without liability for cancellation claims under subsections (b) and (c) above, termination claims or other claims of Seller if (i) Seller sells, or offers to sell all or a substantial portion of its assets used for the production of Goods for Buyer; (ii) Seller sells or exchanges, or offers to sell or exchange an amount of its stock that would result in a change in the control of Seller; or (iii) the Seller fails to remain competitive with respect to quality, technology, delivery and pricing of the Goods. In the event of a termination pursuant to this Section 24(d), Buyer shall give Seller written notice of the termination at least thirty (30) days prior to the effective termination date. Seller shall notify Buyer no more than ten (10) days after entering into any negotiations for the sale or exchange of its stock or assets that could result in a change of control of Seller. Upon Seller's request, Buyer will execute an appropriate non-disclosure agreement relating to information disclosed by Seller regarding the potential transaction. Buyer will have no obligation to Seller under subsection (b) or (c) above if Buyer terminates its purchase obligations of a Purchase Order pursuant to this subsection (d).

(e) A Purchase Order may be terminated immediately by Buyer without liability to Seller for cancellation under subsections (b) and (c) above, termination claims or other claims of Seller, if any of the following events, or any other comparable events, occur and Seller shall reimburse Buyer for all costs incurred by Buyer in connection with any of the following, including but not limited to all attorney's and other professional fees and costs (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 requests accommodations from Buyer, financial or otherwise, in order to meet its obligations under a Purchase Order; or (vi) Seller executes an assignment for the benefit of creditors. Buyer will have no obligation to Seller under subsection (b) or (c) above if Buyer terminates its purchase obligations of a Purchase Order pursuant to this subsection (e).

(f) A Purchase Order may be terminated by Buyer immediately without liability to Seller for cancellation under subsections (b) and (c) above, termination claims or other claims of Seller in the event of a default by the Seller. Seller shall be deemed to be in default under a Purchase Order where Seller (i) breaches or threatens to breach any of the terms of this Purchase Order; (ii) fails to perform or threatens not to perform services or deliver Goods in accordance with any Purchase Order issued by Buyer to Seller; or (iii) fails to make progress or provide adequate assurance, once requested pursuant to Section 17 above, so as to endanger timely and proper delivery of the Goods.

(g) Upon receipt of the notice of termination, Seller, unless otherwise directed by Buyer, will (i) terminate promptly all work under a Purchase Order; (ii) transfer title and deliver to Buyer or its designee the finished work, the work in process, and the parts and materials which Seller produced or acquired in accordance with a Purchase Order and which Seller cannot use in producing goods for itself or for others; (iii) verify/settle all claims by subcontractors for actual costs that are rendered unrecoverable by such termination and provided the recovery of materials in Seller's possession is ensured; (iv) take actions reasonably necessary to protect property in Seller's possession in which Buyer has an interest until disposal instruction from Buyer has been received; and (v) upon Buyer's reasonable request, cooperate with Buyer in effecting resourcing production of the Supplier to a different supplier.

(h) Seller may terminate its obligations under a Purchase Order only pursuant to notice of non-renewal, as set forth in paragraph 6(a) above.

25. CUSTOMER REQUIREMENTS

Seller agrees to comply with the applicable terms and conditions and other requirements of any agreements entered into between Buyer and Buyer's customers ("Customer"), pursuant to which Buyer agrees to supply to Customer, or incorporate into goods supplied to Customer, the Goods purchased by Buyer from Seller hereunder.

26. COMPLIANCE WITH LAW

(a) Seller and Goods furnished by Seller hereunder shall comply with applicable laws, rules, regulations, orders, conventions, ordinances or standards of the country of destination or which relate to the design, production, sale, manufacture, labeling, transportation, importation, licensing, approval or certification of the Goods, including those relating to environmental matters, wages, hours, and conditions of employment, data privacy and protection, subcontractor selection, discrimination, occupational health/safety, motor vehicle safety, NAFTA and any other similar trade agreements. A Purchase Order incorporates by reference all clauses required by these laws. At Buyer's request, Seller shall certify in writing its compliance and/or willingness to cooperate with any or all of the foregoing and Seller or its affiliates will execute such documents or agreements, in addition to any such documents or agreements required under any Regional Addendum, as specified by or acceptable to Buyer to fulfill its obligations under the laws of the relevant jurisdictions. Seller represents that any Goods purchased by Buyer under a Purchase Order will not be produced with any child or forced labor either by Seller or Seller's suppliers. Seller shall indemnify Buyer against any liability Buyer may incur if this representation is incorrect. Buyer requires strict compliance with this provision and has the right to immediately terminate a Purchase Order if there is a breach hereof.

(b) Buyer has established an Ethics and Integrity Policy (available on our Supplier Portal located at <http://www.reydel.com/suppliers>) and expects Seller and Seller's employees to abide by the terms of this policy or an equivalent policy established by Seller.

(c) Seller agrees to meet the full requirements of directive 2000/53/EC of the European Parliament and of the Council (End-of-life-vehicle-directive), the International Material Data System (IMDS) and Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 (REACH) as specified by Buyer and Buyer's customers and agrees to present complete information to Buyer upon request, at the level requested, unless otherwise specifically agreed by Buyer in writing.

(e) To the extent any Goods covered by this Purchase Order are to be imported into the United States, Seller shall comply with all applicable recommendations or requirements of the Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism ("C-TPAT") initiative. Upon request, Seller shall certify

in writing its compliance with the C-TPAT initiative.

27. CHOICE OF FORUM; APPLICABLE LAW

(a) All disputes between the parties, including those arising, directly or indirectly, under this Purchase Order or the performance or breach of this Purchase Order, shall be adjudicated exclusively in the competent Commercial Court where Buyer's registered seat is located. The parties stipulate that the referenced venues are convenient. All disputes between the parties and this Purchase Order will be construed, governed and controlled in all respects by the laws of the countries where Buyer's registered seat is located. The UN Convention for the International Sale of Goods is expressly excluded.

(b) Notwithstanding the foregoing, any request for injunctive relief may be brought by Buyer in any court(s) having jurisdiction over Seller and/or Seller's property and Seller consents to the jurisdiction of such court. Moreover, Seller acknowledges that to the extent this Purchase Order relates to the supply of Goods for use as, or fabrication into, parts, components of larger systems, money damages would not be sufficient to remedy any actual anticipatory or threatened breach of a Purchase Order by Seller with respect to the delivery of Goods, and that, in addition to all other rights and remedies, Buyer shall be entitled to specific performance and injunctive relief as a remedy for any such breach or threatened breach.

28. TOOLING ORDER

If Buyer issues a Tooling Purchase Order, Seller will design and fabricate, rework or acquire from such sources as Buyer has given prior approval, and install all Tooling described in such Tooling Purchase Order ("Tooling"), subject to the terms and conditions contained herein and as further specified in the Supplier Manual.

29. TITLE, IDENTIFICATION OF TOOLING

In the event that Buyer issues a Tooling Purchase Order, all right, title, and interest in and to any part of the Tooling, including any and all designs, drawings, specifications, spare parts, trial parts and ancillary products, shall pass to Buyer as soon as it is acquired or fabricated in accordance with a Tooling Purchase Order or other written documentation issued by Buyer. During the term of a Purchase Order, all such Buyer-owned Tooling in the possession of Seller shall be deemed to be Buyer's Property, as defined in Section 4 above, and shall not be deemed to be a fixture or a part of Seller's real property. Seller expressly waives and releases any and all statutory, equitable or other liens, including but not limited to any molder liens, special tool liens, builder liens and the like, that Seller has or might have on or in connection with the Buyer-owned Tooling for any and all work, including but not limited to, designing, manufacturing, improving, maintaining, servicing, using, assembling, fabricating or developing the Buyer-owned Tooling. If Seller subcontracts all or any portion of the manufacture of the Buyer-owned Tooling, Seller shall so notify Buyer in advance and obtain for Buyer all of the rights contained in this Section 29 and such other documentation as Buyer may require from each such subcontractor used by Seller.

30. TOOLING INVOICES, PAYMENT

(a) Payment for Buyer-owned Tooling will be made after approval of the Part Submission Warrant ("PSW") and in accordance with Buyer's Standard Payment Terms unless stated otherwise in a Tooling Purchase Order or otherwise approved in writing by Buyer's Vice President of Purchasing. Buyer reserves the right to require proof that Supplier can convey good and marketable title to all Tooling prior to making any payment to Supplier for such Tooling.

(b) If a Tooling Purchase Order designates that it is non-competitively placed or based on affordable targets, Buyer's payment obligation shall be no more than the specified maximum, if any, for (i) Seller's actual costs for purchased materials and services (including purchased Tooling and portions thereof); and (ii) Seller's actual cost for direct labor and overhead. Seller shall establish a reasonable accounting system that enables ready identification of Seller's cost. Buyer may audit Seller's records, at any time prior to two (2) years after final payment, to verify Buyer's payment obligation to Seller.

(c) To the extent permitted by applicable law, any payments made by Buyer for Buyer-owned Tooling are expressly intended by Buyer to be held in trust for the benefit of any subcontractor(s) used by Seller to produce the

Buyer-owned Tooling that are covered by such payments and Seller agrees to hold such payments as trustee in express trust for such subcontractors until Seller has paid the subcontractors in full for the Buyer-owned Tooling. Seller acknowledges and agrees that its subcontractor is an intended third party beneficiary of the terms of this section relating to the express trust and as such, the tooling subcontractors shall have the right to enforce these terms directly against Seller in their own name. Seller agrees that Buyer has no obligation to Seller or Seller's tooling subcontractor under this section other than making the payment to Seller in accordance with a Tooling Purchase Order. In the event Seller's tooling subcontractor brings an action against Seller under this section, Seller agrees that it will not join Buyer in any such action.

31. PROVISIONS APPLICABLE TO SELLER-OWNED TOOLING

Seller acknowledges that the Purchase Order price includes a cost element to help Seller recover the capitalization of Seller-owned Tooling. The Seller-owned Tooling will be properly maintained by the Seller at its own expense for so long as the Supplies are purchased by Buyer for its serial production as well as for its service and replacement part requirements. All Seller-owned Tooling shall be considered Seller's Property pursuant to Section 5 above.