

CONTRACT TERMS AND CONDITIONS

- 1) The contract resulting from acceptance of this Order is to be governed by the laws of the State of Michigan. As used in these Terms and Conditions, "Order" shall mean this purchase order and all of its attachments and exhibits, "material" means any goods, tools, machinery, equipment, articles, items or work provided for in this Order. This order is an offer and is not an acceptance of any prior quote or offer.
- 2) Transportation and routing must be approved by Buyer before seller forwards shipments on which Buyer is to pay freight charges.
- 3) Copies of express receipts, bills of lading, and freight bills showing proper description, routing, car number, weights and rates, the amount of freight pre-paid, and order number must accompany invoices. Payment terms for all materials will be 60 days Prox upon receipt of valid invoice.
- 4) Seller shall show cash discount on face of invoice. Discount period will be calculated from date invoice is received by Buyer.
- 5) Material delivered by Seller shall equal exact amount ordered otherwise it may be returned at Seller's expense.
- 6) By its acceptance of the Order, the Seller agrees that all persons employed or engaged in carrying out the terms of the Order, including but not limited to all persons entering the plant of the Buyer or its assigns for the purpose of delivering, installing, inspecting, repairing or estimating supplies, material or work required by the terms of the Order, shall be considered servants of the Seller or contractor or sub-contractor there under and not of the Buyer, consignee or owner, and that the Seller or contractor shall hold the Buyer, consignee, or owner harmless from all liability for compensation under any workman's compensation act applicable, either state or federal, whether any such claim arise or be caused by negligence or otherwise of the Seller, contractor, its agents or employees, or any subcontractor, person or corporation.
- 7) Compliance with Laws; Business practices. Seller, and any goods or services supplied by Seller shall comply with all applicable laws, regulations, ordinances or standards of the country(ies) of destination that relates to goods and services including but not limited to those related to Environmental matters, data protection and privacy, wages, hours and conditions of employment, subcontractor selection, discrimination and occupational health and safety. Seller further represents that it or its subcontractors will **not** utilize child, slave, prisoner or any form of forced labor. Seller agrees to comply with all applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices act and that they will not directly or indirectly provide or offer to provide anything of value to obtain or retain any contract, business opportunity or other benefit, or to influence any act or decision of that person in their official capacity.
- 8) Inspection by the Buyer of the Seller's facilities and non-proprietary processes related to the supplied material/service shall be allowed at any reasonable time.
- 9) Buyer's production schedules are based upon delivery to the Buyer on the date specified by this order. Time is therefore of the essence. Seller shall be liable for all of Buyer's costs arising from Seller's failure to deliver materials according to the terms of the Order and Buyer's releases, including, but not limited to, expedited shipping costs, charges, fees and subsequent chargeback's incurred by the Buyer in order to meet Buyer's contract obligations to its customers. Buyer may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which will shall entitle Seller to a modification of the price of the goods or services covered by this contract.
- 10) Title to the material covered by the Order shall not pass to Buyer until delivery to buyer at the destination designated, and prior to such delivery Seller retains title and all risk of loss or damage to such material, whether such loss or damage occurs in transit or otherwise, and is discernible upon delivery or is latent in nature.
- 11) Seller shall inform Buyer promptly of any labor dispute, pending contract situation or other event which may prevent delivery of this Order by the specified delivery dates.
- 12) In the event of the institution of any proceedings by or against Seller in bankruptcy or insolvency or for the appointment of a receiver or trustee or an assignment for benefit of Creditors, Buyer may cancel the Agreement arising from Seller's acceptance of this Order without incurring any liability to Seller.
- 13) Seller shall not fabricate any of the material covered by this Order, or procure any of the materials required in their fabrication, unless authorized in written instructions by Buyer. Buyer shall have no responsibility for material for which written fabrication and/or delivery instructions have not been provided. All plan figures are for that purpose only and are not a release authorization. Vendors are responsible to verify all information on this document and notify Century Plastics of any material or supply shortages. Century Plastics requires 100% on time delivery in accordance with TS16949.
- 14) Seller warrants all materials or services delivered hereunder to be free from defect of material or workmanship and to conform strictly to the specifications, drawings, or samples specified or furnished. Seller acknowledges that the Buyer may not perform any incoming inspections and waves the right to conduct such inspections. This warranty shall survive any inspection, delivery, acceptance or payment by Buyer of the materials or services.
- 15) Materials rejected as not conforming to the Order, or as otherwise defective, shall be returned at Seller's expense, including transportation and handling costs. Late delivery shall be cause for cancellation and/or return of material, at no expense to Buyer.
- 16) Seller warrants that all materials supplied under this Order do not and will not infringe patents, United States or foreign, and agrees, at Seller's expense, to defend Buyer against all claims of infringement of any patent, trademark, copyright or other property right arising in connection with any material purchased herein and to indemnify and prevent Buyer harm from all costs, damages or expense, including legal fees or costs of employing its own counsel resulting there from.
- 17) Except as may be otherwise provided in this Order the contract price includes all applicable federal, state, and local taxes in effect on the date of this Order.
In case of new taxes or increased rates or the repeal of taxes or the reduction of rates, the contract price shall be adjusted accordingly.
- 18) Seller shall not delegate any duties, nor assign any rights or claims under this Order, and any such attempted delegation or assignment shall be void.
- 19) All claims for moneys due, or to become due, from the Buyer shall be subject to deduction by the Buyer for any setoff or counterclaim arising out of this Order, or any other agreement between Buyer and Seller.
- 20) The Buyer shall have the right to make, from time to time and without notice to any sureties or assignees, changes to packing, testing, destinations, specifications, designs, and delivery schedules.
- 21) All material, owned, furnished or specifically paid for by the Buyer shall be Buyer's property, shall be subject to removal at any time without additional cost upon demand by the Buyer, shall be used only in filling orders from the Buyer, shall be kept separate from other materials, and shall be clearly identified as the property of Buyer. Seller assumes all liability for loss or damage, will ensure that all buyer property is insured for fire and extended coverage for full replacement value. With the exception of normal wear and tear, Seller at its expense shall furnish, keep in good condition and replace all machinery, equipment, tools, jigs, dies, gauges, fixtures, molds, patterns, and other items necessary for the production of the goods, and agrees to supply detailed statements of inventory at monthly intervals.
- 22) All supplies, drawings, engineering developments, materials, tools, jigs, dies, gauges, fixtures, molds, equipment and other items purchased by the Buyer either directly or indirectly, to perform this contract for which the Seller has been reimbursed by the Buyer shall be and remain the property of the Buyer unless specifically noted in the Buyer's Purchase Order.
- 23) Buyer shall at all times have title to all drawings and specifications furnished by the Buyer to Seller and intended for use in connection with this Order. Seller shall use such drawings and specifications only in connection with this Order, and shall not disclose such drawings and specifications to any person, firm, or corporation other than the Buyer's or Seller's employees, subcontractors, or government inspectors. Upon the Buyer's request, upon completion of this Order, Seller shall promptly return all drawings and specifications to Buyer.
- 24) Seller shall agree to furnish to Buyer in such a form and detail as Buyer may direct; a list of all ingredients in the goods, the amount of all ingredients, information concerning any changes in or additions to such ingredients. Prior to the shipment of goods Seller agrees to furnish to Buyer sufficient warning

- and notice in writing of any hazardous material that is an ingredient or a part of any of the goods, together with the proper handling, transportation, processing, use or disposal of the goods, packaging, and containers shipped to Buyer.
- 25) If Seller should default hereunder, Seller shall be responsible to Buyer for any costs or expenses, including attorney fees, in the enforcement of the provisions of these terms and conditions. The remedies reserved by Buyer in this Order shall be cumulative and in addition to any other remedies provided at law or equity.
 - 26) The failure or delay of Buyer, at any time or times, to enforce its rights under the Order shall not be constructed as having modified or waived same. No waiver of a breach of any provision of this Order shall constitute a waiver of any other breach, or of such provision.
 - 27) Any delay or failure of either party to perform its obligation shall be excused if Seller is unable to produce, sell or deliver, or Buyer is unable to accept delivery, buy or use, the goods or services covered by this Contract, as a result of an event or occurrence beyond reasonable control of the party and without its fault or negligence, including but not limited to, acts of god, actions by any government authority, labor problems, natural disasters, or court injunctions, provided that a written notice of such delay shall be given to the other party as soon as possible but not greater than ten days. During the period of the delay or failure to perform by Seller, Buyer, at its option, may purchase goods and services from other sources and reduce its schedule to Seller by such quantities, without liability to the Seller. Seller at its expense shall take such actions as are necessary to ensure the supply of goods and services to Buyer for at least 30 days during any anticipated labor disruption or resulting from the expiration of Seller's labor contract.
 - 28) This order contains all of the terms and conditions with respect to the sale and purchase of the material purchased hereunder. These terms and conditions supersede any of previous date and no modification thereof shall be binding on Buyer unless separately contracted in writing and agreed to by a duly authorized representative of Buyer. BUYER OBJECTS TO THE INCLUSION OF ANY DIFFERENT OR ADDITIONAL TERMS proposed by Seller in its acceptance of this Order and if they are included in Seller's acceptance, a contract for sale will result upon Buyer's terms stated herein, notwithstanding the inclusion of same by Seller. Performance and delivery of goods against this Order constitutes full acceptance of all order terms and conditions.
 - 29) Buyer reserves the right to terminate all or any part of this contract without liability to the Seller, if Seller: repudiates or breaches any of the terms of the this contract, including Seller's warranties, fails to perform services or deliver goods as specified by the Buyer, fails to make progress so as to endanger timing or completion of goods, services, or equipment and does not correct such failures or breach within 10 days (or shorter) after receipt of written notice from Buyer specifying such failure or breach. In addition, Buyer may terminate this contract upon giving at least 60 days' notice to Seller without liability to Seller, sells, or offers to sell, a material portion of its assets, or sells or exchanges, or offers to sell or exchange, or causes to be sold or exchanged a sufficient amount of its stock to that effects a change in control of Seller.
 - 30) Seller and Buyer are independent contracting parties and nothing in this contract shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.
 - 31) All disputes between the parties under this Agreement shall be submitted to binding arbitration in accordance with the rules of the American Arbitration Association. The site of all such Arbitration hearings shall be within Macomb County in the State of Michigan. Notwithstanding the provisions of this paragraph, either party may seek appropriate injunctive relief for any threatened breach. The non-prevailing party shall bear the expenses in the arbitration proceeding, unless the arbitrator determines otherwise. Judgment upon the award rendered may be entered in any court of competent jurisdiction.