

PURCHASE ORDER TERMS AND CONDITIONS

1. Acceptance of Contract. The purchase order attached hereto, these terms and conditions, and all specifications, drawings and other data (if any) submitted by Accu-Mold, L.L.C. (öBuyerö) to supplier (öSupplierö) prior to the date of this purchase order concerning goods or services to be purchased hereunder shall constitute the entire agreement between Buyer and Supplier resulting from acceptance by Supplier of this offer (this öContractö). This Contract supersedes all prior or contemporaneous agreements, orders, quotations, proposals and other communications, terms or conditions between Buyer and Supplier concerning goods or services to be purchased hereunder and this Contract does not constitute an acceptance of any offer or proposal made by Supplier. Any Supplier quotation, proposal, response, counter-offer or similar undertaking is expressly rejected and is replaced in its entirety by the offer made through this Contract. This Contract will be deemed to have been fully accepted by Supplier upon shipping any goods to Buyer, commencing any work under this Contract, accepting this Contract in writing or otherwise, or undertaking any other conduct that recognizes the existence of a contract with respect to the subject matter of this Contract. Acknowledgement may be made via return mail or facsimile transmission. Supplier's acceptance of this Contract is expressly limited to its terms. Reference to any proposal of Supplier is only for the purpose of specifying basic information concerning price, quantity and description of goods or services to the extent such terms are consistent with the terms of this Contract. Conditions stated by Supplier in its quotation, acknowledgment, invoice or otherwise shall not affect Buyer's offer, and shall not be binding on Buyer if in conflict with or in addition to any of the provisions of this Contract unless expressly agreed to in writing by an authorized representative of Buyer.

2. Orders and Changes. Supplier must accept a purchase order by written acceptance within five (5) days after the date on the purchase order. Supplier shall indicate the purchase order number on any invoices submitted in regard to this Contract. Buyer reserves the right to make changes in quantities, delivery dates, drawings, specifications, materials and other descriptions as to goods or services covered by this Contract, and Supplier agrees to promptly make such changes. If such changes cause an increase or decrease in the cost or time required for Supplier's performance of this Contract, Buyer and Supplier shall negotiate an equitable adjustment. Whenever there is a change in drawings, specifications, material and/or other descriptions, Buyer may provide Supplier with an opportunity to rebid by issuing a written request for quotation. No agreement or understanding to modify this Contract shall be binding upon Buyer unless in writing and signed by Buyer's authorized representative.

3. Price and Payment. If Supplier's quoted prices for the goods and services covered hereby are reduced prior to shipment or performance (whether as a price reduction, rebate, allowances, or additional discounts offered to anyone), Supplier agrees that the price to Buyer for such goods and services shall be reduced accordingly, and that Buyer shall be billed at such reduced prices. To the extent possible, Supplier shall provide Buyer 30 days advance notice of such price reduction. Unless otherwise stated on the face of this purchase order, the prices quoted are inclusive of any Federal, state or local taxes imposed directly upon the manufacture or sale of items and/or services to be furnished. The price stated on the face hereof is conclusive, and no extra charge shall be made by Supplier. Unless provided otherwise in this Contract or unless the Parties agree otherwise, payment shall be made by Buyer within ninety (90) days after the later, unless otherwise agreed in writing, of Buyer's acceptance of the goods or services or receipt of invoice. Buyer may withhold payment pending receipt of evidence, in such form and detail as Buyer may direct, of the absence of any liens, encumbrances or claims on the goods or services provided under this Contract.

4. Delivery. Time is of the essence in this Contract, and if delivery of the goods is not made in the quantities and the time specified in delivery releases, or the rendering of services is not completed at time specified for whatever reason, including those set forth in Section 8 hereof, Buyer reserves the right, at the sole cost and expense of Supplier, in addition to its other rights and remedies to: (a) direct expedited routing of goods; (b) terminate this Contract and thereby relieve Buyer of any obligation to accept and pay for such goods and/or work; (c) terminate, without charge, all or any part of the undelivered portion of the purchase order and place a purchase order elsewhere for an equal or less quantity of goods and/or work of the same or substantially equivalent quality and charge Supplier with any loss so incurred. In the event Supplier anticipates any delay in delivery, Supplier shall immediately notify Buyer, provide an estimated date of delivery and confirm such notice in writing. Such notice, or Buyer's action upon receiving notice, shall not be deemed to waive any breach of this Contract resulting from delay. Buyer may demand payment of an amount not to exceed ten percent (10%) of the price of the goods or services in increments of 0.5% of the price for each week delivery is delayed. Unless otherwise stated in this Contract, all deliveries shall be made DDP (Delivered Duty Paid), unless otherwise agreed in writing, the address shown on the purchase order. The price includes all costs of packaging, transport and insurance appropriate to the goods. Supplier shall indicate the purchase order number provided by Buyer on all shipping and delivery documents. Supplier shall bear all cost and inconvenience arising from any failure to do so. Buyer shall accept delivery only between the hours of 8:00 a.m. and 5:00 p.m. Monday to Friday and only provided that the parties are able to coordinate delivery one day in advance. Buyer reserves the right to change delivery schedules or direct temporary suspension of scheduled shipments. Buyer shall have the right to reject any goods or services which are tendered by Supplier in advance of the date scheduled for delivery, to accept early delivery of goods or services and defer payment until after the scheduled delivery date or to accept early delivery of goods and place such goods in storage at Supplier's expense until the scheduled delivery date. In no event shall Buyer be required to accept partial delivery of goods unless Buyer has given express prior written consent to that effect. Risk of loss with respect to goods shall remain with the Supplier until goods have been accepted by Buyer.

5. Packaging. All material shall be suitably packaged and marked to secure the lowest transportation cost and in accordance with the requirements of common carriers. No separate charge will be allowed for packing, boxing, crating, marking, cartage or storage, unless so stipulated herein, it being assumed that the price includes these items. Buyer is not responsible for the return of packaging unless the parties so agree in writing. The damage to any goods not packaged to insure proper protection, if such goods are accepted by Buyer, will be charged to Supplier. Buyer's count will be considered as final and conclusive on all shipments.

6. Acceptance of Goods. Buyer's acknowledgement of receipt of goods shall not constitute acceptance of goods or acknowledgement of the quantity of goods shipped. Acceptance, as that term is defined in the Michigan Uniform Commercial Code, shall occur only when Buyer, after a reasonable opportunity to inspect and test the goods, issues to Supplier a written notice of acceptance or incorporates the goods into a product produced by Buyer. This sole method of acceptance is intended to exclude all other methods of acceptance contemplated under the Michigan Uniform Commercial Code or otherwise. If as a result of sampling inspection any portion of a shipment of like goods is found to not be in conformity with this Contract, Buyer may reject and return the entire shipment without further inspection; or Buyer, at its option, may complete inspection of all goods in the shipment and then reject and return any or all non-conforming goods or accept them at a reduced price. Buyer's acceptance of any non-conforming goods shall not constitute a waiver of any requirements under this Contract for goods subsequently delivered hereunder. Any rejected goods shall be returned at Supplier's expense and Supplier shall be liable to Buyer for any other expenses incurred by Buyer in connection therewith. Buyer may in lieu of specific performance demand reimbursement for any non-conforming goods returned to Supplier. In the event Buyer determines in its sole discretion that its need for the goods is urgent, Buyer may correct or have corrected by a third party non-conforming goods by replacing or improving faulty parts and repairing any damage to the goods. Supplier shall bear all costs arising from such correction. Supplier shall at its own expense implement any quality control measures requested by Buyer. Supplier shall grant access for Buyer to inspect Buyer's goods at Supplier's manufacturing facility with reasonable notice provided.

7. Force Majeure. Neither Buyer nor Supplier shall be liable for delays or defaults due to causes beyond its control and without its fault or negligence, such as, by way of example and not by way of limitation, acts of God, actions by any governmental authority, fires, floods, natural disasters and war (Force Majeure Event), provided that written notice of such delay including the anticipated duration of the delay be given to the non-delaying party immediately and that the delaying party use reasonable efforts to prevent, work around or compensate for or otherwise minimize the effects of such delay or inability to perform. Buyer at its option may acquire possession of all finished goods, work in progress and parts and materials produced or acquired for the work under a purchase order, and Supplier will deliver such articles to such location as directed by Buyer. During the period of delay and a reasonable period thereafter, Buyer, at its option, may purchase goods from other sources and reduce its order or forecast to Supplier, without liability to Supplier, or have Supplier provide the goods from other sources in quantities and at times requested by Buyer, at the price set forth in this Contract. In the event a Force Majeure Event causes a significant reduction in Buyer's requirements for the goods, Buyer may cancel this Contract in whole or in part. Such cancellation shall be considered a termination for cause and the provisions of Section 16 of this Contract shall apply.

8. Notice of Labor Disputes. Whenever Supplier has knowledge that an actual or potential labor dispute is delaying or threatens to delay its timely performance under this purchase order, Supplier shall immediately give written notice thereof to Buyer. Such notice shall not be deemed to waive any breach of this Contract resulting from such delay.

9. Warranty. Supplier acknowledges that Supplier knows of Buyer's intended use and expressly warrants that all goods and/or work ordered according to drawings, plans, specifications or samples furnished or approved by Buyer will conform thereto and will be MERCHANTABLE AND FIT AND SUFFICIENT FOR THE PURPOSE ORDERED AND WILL BE FREE FROM DEFECT IN MATERIAL AND WORKMANSHIP. All warranties shall run to Buyer, its shareholders, officers, directors, agents, servants, employees, and customers and to users of its products and each of their respective affiliates, successors, assigns and shall be construed as conditions as well as warranties and shall not be deemed to be exclusive. The warranty period shall be that provided by applicable law, except that if Buyer offers a longer warranty to its customers for goods incorporated into Buyer's products, such longer period shall apply.

10. Warranty Claims. If any good delivered hereunder is found not to meet the warranty under Section 9, upon notice thereof, Buyer shall notify Supplier in writing. In such case, Supplier shall, at Buyer's option, reimburse Buyer the purchase price of the good or at no charge, supply a replacement good that meets the warranty requirements of Section 9, to such destination, at such time and in such manner as designated by Buyer, and Supplier shall be liable to Buyer for any loss, cost or damage incurred by Buyer as a result of such breach of warranty, including, without limitation: (a) costs relating to inspecting, sorting, replacing and/or repairing defective goods; (b) costs relating to repair or replacement of defective goods; (c) any claim for personal injury or property damage caused by defective goods; (d) any reasonably foreseeable consequential damages; and (e) reasonable attorneys' or other professionals' fees.

11. Proprietary Rights. All technical information, including, without limitation, designs, blueprints, specifications, engineering data for production, product know-how or any other information; parts; and tools which are supplied to Supplier by Buyer or for which Buyer has paid the cost in the course of performance of this Contract shall, unless otherwise agreed by Buyer in writing, remain the property of Buyer and be maintained in confidence by Supplier and Supplier shall not use such information, parts or tools except in the performance of this Contract. Supplier, including its agents, employees, representatives and subcontractors, shall exercise extreme caution to prevent disclosure of information related to the foregoing to third parties. Supplier shall mark any tools provided to Supplier by Buyer or for which Buyer has paid the cost (Buyer's Tools) as Buyer's sole property. Supplier shall use Buyer's Tools exclusively to perform its duties hereunder. Supplier shall at its own cost insure, maintain, and renew as necessary Buyer's Tools. Additionally, Supplier agrees to assign exclusive ownership rights to the Buyer, and not otherwise to make use of, any invention, improvement or discovery (whether or not patentable) conceived or reduced to practice in the performance of this Contract by any employee of the Supplier or other person working under Supplier's direction and such assignment shall be considered as additional consideration for the making of this Contract. Upon completion of performance of this Contract the Supplier shall deliver to the Buyer any and all information relating to such invention, improvement or discovery and shall cause employees or others subject to Supplier's instruction to sign, as appropriate, all documents necessary or convenient to enable the Buyer to file application for patents or other intellectual property protection throughout the world and to obtain title thereto. All such information shall be returned to Buyer upon request. Supplier shall grant Buyer exclusive rights to use any proprietary intellectual property incorporated into the goods. The obligations of this Section 11 shall survive termination of this Contract.

12. Spare Parts. Supplier shall supply spare parts related to the goods during the anticipated lifetime of the goods or for fifteen (15) years following delivery, whichever is longer. In the event Supplier decides to discontinue manufacture of spare parts, Supplier shall (i) inform Buyer as such, (ii) accept and fill a final order from Buyer and (iii) provide Buyer all equipment and documents necessary for the manufacture of the spare parts. Supplier shall grant Buyer all rights to use such equipment and documents at no cost to Buyer.

13. Confidentiality. The parties agree to strictly maintain the confidentiality of their business relationship both in regard to business and technical matters. Supplier shall ensure that its subcontractors also exercise a strict degree of care in maintaining the confidentiality of any information provided to them hereunder. The restrictions in this section shall not apply to information that is at the time of the disclosure publicly known through no violation of this Contract by Supplier or its representatives.

14. Indemnification. Supplier shall defend, indemnify and hold harmless Buyer, its shareholders, officers, directors, agents, servants, employees, customers and to users of its products and each of their respective Affiliates (as defined below), successors, assigns (Indemnified Parties) from any losses, claims, damages, penalties or fines including reasonable attorneys' or other professionals' fees, (Claims) arising or alleged to arise from, without limitation: (a) the infringement of any valid U.S. or foreign patent, trademark or copyright, or other industrial rights including business or manufacturing secrets of a third party with respect to any of the goods delivered or services provided hereunder; (b) any asserted deficiencies or defects in the goods; (c) recall or preliminary recall measures instituted with respect to the goods by any party, including without limitation, Buyer, Buyer's customer or a government agency; (d) Supplier's failure to adequately mark the goods or packaging with any warnings or other notices required by any federal, state or local law, or administrative rule or regulation; (e) the breach of any terms or conditions stated herein; or (f) any act or omission of Supplier, irrespective of whether such loss, claim, damage or expense is caused, or alleged to be caused, in whole or in part by the joint, several, comparative, but not sole, negligence, breach of Contract or warranty, or any other breach of duty by Buyer, or whether such claim, damage, or expense is asserted under a strict or other product liability theory or any other legal theory. In addition to complete and full indemnification of Buyer as provided hereunder, Supplier shall pay Buyer's anticipated expenses arising from such Claims, in an amount not to exceed \$1,000,000 in advance of Buyer incurring such expenses. Supplier's obligations pursuant to this Section 14 shall survive termination of this Contract.

15. Insurance and Safety Policy Form. If this Contract covers the performance of labor for Buyer, Supplier agrees to defend, indemnify and hold harmless Indemnified Parties against all liability, claims and demands for injuries or damages to any person or property arising out of performance of this Contract. Upon request of Buyer, Supplier agrees to furnish certificates of insurance showing that Supplier has adequate insurance coverage (as determined by Buyer in its discretion) for the type of services to be performed by Supplier including, without limitation, workers compensation coverage, general liability, property damage and automobile insurance. Upon Buyer's request, Supplier shall name Buyer as an additional insured on its policies. If this Contract includes a sale of goods manufactured in whole or in part to Supplier's designs or specifications, Supplier agrees to provide Buyer with a current certificate of product liability insurance for a minimum coverage amount of

\$1,000,000 per incident and a vendor's endorsement naming Buyer as an additional insured on Supplier's policy. Such insurance shall in no way prejudice Buyer's rights to indemnification.

16. Termination for Cause. Buyer, at its option, may terminate this Contract without any obligation to Supplier, upon (a) the filing by Supplier of a voluntary or involuntary petition under any bankruptcy or insolvency law or a petition for the appointment of a receiver, or an assignment for the benefit of creditors; (b) the occurrence of any act or omission by Supplier that constitutes a material breach, including without limitation breach of warranty, of this Contract and the failure by Supplier to remedy such breach within 10 days after written notice of breach is given to Supplier; (c) the failure by Supplier to perform services or deliver goods as specified by Buyer; (d) the failure by Supplier to make progress so as to endanger timely and proper completion of services or delivery of goods if Supplier does not correct such failure or breach within 10 days (or shorter period if commercially reasonable); or (e) the dissolution of Supplier. Upon termination of this Contract pursuant to the foregoing sentence, Supplier shall, at Supplier's expense, promptly return to Buyer all of the Buyer's Tools and any drawings, specifications or other technical information pertaining to this Contract. Termination of this Contract shall not affect any liabilities which have arisen prior to termination or may arise after termination based on a transaction made prior to termination, nor any obligations which are, from the context hereof, intended to survive termination of this Contract.

17. Termination at Will. In addition to the foregoing, Buyer may at its option terminate any individual purchase order or this Contract in its entirety, at any time, for any reason, by giving written notice to Supplier. Upon receipt of the notice of termination Supplier will promptly terminate all work under the purchase order or this Contract as the case may be. Buyer's obligation to Supplier under this section shall be the following amounts without duplication: (a) the purchase order price for all goods or services under this Contract which have been completed, delivered and accepted in accordance with the purchase order or Contract and not previously paid for; and (b) the actual cost of work-in-process and raw materials incurred by Supplier in furnishing the goods or services under this Contract, less, the reasonable value or cost (whichever is higher) of any goods or materials used or sold by Supplier with Buyer's written consent, and the cost of any damaged or destroyed goods or material. Buyer will make no payments for finished goods, work-in-process or raw materials, fabricated or procured by Supplier in amounts in excess of those authorized in delivery releases, nor for any undelivered goods which are in Supplier's standard stock or which are readily marketable. Except as provided in this paragraph, Buyer shall not be liable for and shall not be required to make payments to Supplier, directly or on account of claims by Supplier's subcontractors, for loss of anticipated profit, unabsorbed overhead, interest of claims, product development and engineering costs, facilities and equipment rearrangements costs or rental, unamortized depreciation costs, and general and administrative burden charged from termination hereunder.

18. Labor and Material. Unless otherwise specified in this Contract, all labor, materials, equipment, machinery, parts, tooling and other items required for Supplier's performance of this Contract shall be provided and maintained by Supplier at its expense. If this Contract calls for work to be performed by Supplier, all work performed and all materials used in connection therewith shall be at the risk and expense of and shall be replaced by Supplier in the event of any damage or destruction thereof prior to delivery to and acceptance of by Buyer. If this Contract calls for work to be performed by Supplier upon any premises owned or controlled by Buyer and/or Buyer's customer, Supplier will keep the premises and the work free and clear of all mechanics' liens and will furnish Buyer with certificate and waiver as provided by law. Whenever any property of Buyer or Buyer's customers is in possession of Supplier or Supplier's suppliers, Supplier shall be deemed an insurer thereof and shall be responsible for its safe return to Buyer.

19. Claims Adjustment. Buyer may, at any time and without notice, set off the amount of any claim of Buyer under this Contract against any payment due Supplier under this Contract or otherwise. Supplier shall have no right to retention or set-off.

20. Compliance with Laws. Supplier, and any goods or services provided by Supplier, shall comply with all applicable laws, rules, regulations, orders, conventions, ordinances or standards of the country(ies) of destination or that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval or certification of the goods or services provided, including but not limited to, those relating to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety. At Buyer's request Supplier shall certify in writing its compliance with the foregoing. Supplier shall indemnify and hold Buyer harmless from and against any liability claims, demands or expenses (including attorneys' fees or other professionals' fees) arising from or relating to Supplier's noncompliance.

21. Hazardous Materials. A Material Safety Data Sheet (MSDS) must be provided by Supplier to Buyer with any shipments containing hazardous materials. If requested by Buyer, Supplier shall promptly furnish to Buyer in such form and detail as Buyer may direct: (a) a list of all ingredients contained in goods; (b) the amount of all ingredients; and (c) information concerning any changes in or additions to such ingredients.

22. Remedies. In the event of any breach of this Contract by Supplier, Supplier shall be liable for all costs, expenses and damages, whether direct, indirect, incidental, or consequential, arising from or relating to such breach. Buyer shall in no event be liable to Supplier for indirect, incidental or consequential damages arising under this Contract.

23. Assignment and Subcontracting. The obligations of Supplier under this Contract may not be assigned or subcontracted in whole or in part, nor may any assignment of any money due or to become due under this Contract (other than the assignment of, or the grant of a security interest in, accounts receivable in connection with the Supplier's financing of borrowed money in the ordinary course of business) be made by Supplier without the prior written consent of Buyer.

24. Changes to Process, Material, Manufacturing. The supplier may not make any changes to the process, materials or manufacturing on the buyers products without written approval from buyer. Buyer agrees that any changes made to the process, material or manufacturing, including manufacturing location change, without written approval constitutes non-conforming material and will be rejected and returned to supplier at supplier's expense. Further, supplier agrees to expedite replacement material to buyer at supplier's expense only after formal approval is granted. Supplier is responsible for all costs associated with unauthorized change, including but not limited to all line stoppage at buyer and buyer customers locations.

25. Customs Drawback Documents. Upon request, Supplier shall furnish promptly all documents and other information required for customs drawback purposes, properly completed in accordance with applicable governmental regulations. Unless otherwise provided in this purchase order, all customs drawback shall be reserved and retained for, or credited to, Buyer.

26. Certificates of Origin, Etc. Upon request, Supplier shall furnish immediately to Buyer all North American Free Trade Agreement certificates of origin, all other certificates of origin or domestic value-added and all other information relating to the costs and places of origin of goods or services and the materials contained therein or used in the performance thereof, as may be required by Buyer to comply fully with all customs, tariff or other applicable governmental regulations. Supplier shall indemnify Buyer, Buyer's Affiliates and their respective customers against all losses, costs or damages (including any fines or penalties) resulting directly or indirectly from Supplier's delay in furnishing such certificates or other information to Buyer and from any errors or omissions contained therein and from any non-compliance by Supplier with the aforesaid regulations. For purposes of this Contract, an "Affiliate" of a particular party shall mean (i) any entity which has a direct or indirect beneficial equity interest in the party, (ii) any entity in which the party has a direct or indirect beneficial equity interest, and (iii) any entity in which a direct or indirect beneficial equity interest is held by a third party which also holds a direct or indirect beneficial equity interest in the party.

27. Relationship of Parties. Supplier 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 or in the name of the other.

28. WaiverandSeverability. Buyer's failure to insist upon the performance of any term or condition of this Contract or to exercise any right thereunder on one or more occasions shall not constitute a waiver or relinquishment of Buyer's right to demand future performance of such term or condition or to exercise such right in the future. In the event that any provision of this Contract shall be found to be invalid or unenforceable, the remaining portions shall remain in full force and effect as if the invalid or unenforceable portion were not a part hereof.

29. EntireAgreementandAmendment. This Contract constitutes a final expression of the agreement between Supplier and Buyer with respect to the subject matter hereof, and is a complete and exclusive statement of the terms of this agreement, superseding any and all other oral or written arrangements, representations, or communications by or between Supplier and Buyer relating to the subject matter hereof. This Contract may not be amended except by a written agreement signed by an authorized representative of Buyer.

30. ChoiceofLawandForum. This Contract shall be governed by the laws of the State of Michigan, notwithstanding any state's choice of law or rules to the contrary. Supplier consents and agrees that any dispute arising out of or relating to this Contract, or for any breach hereof, or for any defect or deficiency of the goods or services to be delivered hereunder, whether on warranty, contract, negligence, or strict or products liability, shall be governed by the Rules of the American Arbitration Association then in effect; provided, however, that: (i) all arbitration proceedings shall take place in Kalamazoo County, Michigan or successor American Arbitration Association office and shall be before one neutral arbitrator (who shall be an attorney licensed by the Supreme Court of the State of Michigan) mutually agreed upon by Supplier and Buyer in writing, or in the event of no such agreement, one neutral arbitrator selected by the American Arbitration Association; (ii) the arbitrator shall be empowered to assess legal fees and expenses of such proceedings (including the mediation proceedings) in an equitable manner as such arbitrator shall determine; (iii) the award of the arbitrator shall be final, non-appealable and binding upon each of the parties and may be entered as a judgment in any court of competent jurisdiction, enforceable in accordance with the laws of such jurisdiction; (iv) notwithstanding the provisions of such Rules, with respect to matters relating to (a) discovery, shall be governed by the Federal Rules of Civil Procedure, and (b) evidence, shall be governed by the Federal Rules of Evidence; and (v) the arbitrator shall not have the authority to award punitive or exemplary damages or any other damages in excess of actual pecuniary damages.