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TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE

The terms and conditions hereof become an exclusive and binding agreement between parties covering the purchase of the articles or services ordered herein when this order is accepted by acknowledgment or commencement of performance. This order can be accepted only on these terms and conditions. Additional or different terms proposed by Seller will not be applicable unless accepted in writing by the Buyer. No change, modification, or revision of this order shall be effective unless in writing and signed by Buyer.

2. PRICES

The acceptance of this order constitutes a warranty that the prices to be charged for articles or services ordered herein are not in excess of prices charged to other customers for similar quantities and delivery requirements.

3. INVOICES

Invoices shall be submitted in triplicate and shall contain the following information; purchase order number, item number, description of items, sizes, quantities, unit prices, and extended totals in addition to any other information specified elsewhere herein. Bill of Lading or Express Receipt shall accompany each invoice. In addition, no invoice will be passed for payment unless it contains the following certification. Payment of invoices shall not constitute acceptance of supplies and shall be subject to adjustment for errors, shortages, defects in the supplies, or other failure of Seller to meet the requirement of the order. Buyer may at any time set off any amount owed by Buyer to Seller against any amount owed by Seller or any of its affiliated companies to Buyer.

4. CASH DISCOUNTS

Time in connection with any discount offered will be computed from (i) the scheduled delivery date, (ii) the date of actual delivery, or (iii) the date and acceptable invoice is received, whichever is later. Payment is deemed to be made for the purpose of earning a discount on the date of mailing of the Buyer's check.

5. TAXES

Unless otherwise specified, the prices set forth in this order include all applicable federal, state, and local taxes. All such taxes shall be stated separately on Seller's invoice.

6. OVERSHIPMENTS

Buyer will pay only for maximum quantities ordered. Overshipments will be held at the Seller's risk and expense for a reasonable time awaiting shipping instructions. Return shipping charges for excess quantities will be at Seller's expense.

7. PACKING AND SHIPMENT

Unless otherwise specified, when the price of this order is based on the weight of the ordered supplies, such price is to cover net weight of material ordered only, and no charges will be allowed for boxing, crating, handling, damage, carting, drayage, storage, or other packing requirements. Unless otherwise specified, all supplies shall be packed, packaged, marked, and otherwise prepared for shipment in a manner which is (i) in accordance with good commercial practice, (ii) acceptable to common carriers for shipment at the lowest rate for the particular supplies and in accordance with I.C.C. regulations, and (iii) adequate to insure safe arrival of the supplies at the named destination. Seller shall mark all containers with necessary lifting, handling and shipping information and also purchase order numbers, date of shipment and the names of the consignee and consignor. An itemized packaging sheet must accompany each shipment. No partial or complete delivery shall be made hereunder prior to the date or dates shown unless Buyer has given prior written consent.

8. F.O.B. POINT

Unless otherwise specifically provided on the face of the Order, the supplies called for hereunder shall be delivered on an F.O.B. Origin basis.

9. WARRANTY

(a) Seller warrants that all supplies delivered hereunder shall be new, free from defects in workmanship, material, and manufacture; shall comply with the requirements of this contract, including any drawings or specifications incorporated herein or samples furnished by Seller; and, where design is Seller's responsibility, be free from defects in design. Seller further warrants all supplies purchased hereunder shall be of merchantable quality and shall be fit and suitable for the purposes intended by Buyer. The foregoing warranties shall constitute conditions and are in addition to all other warranties, whether expressed or implied, and shall survive any delivery, inspection, acceptance or payment by Buyer.

(b) If any supplies delivered hereunder do not meet the warranties specified herein or otherwise applicable. Buyer may, at its option: (i) require the Seller to correct at no cost to Buyer any defective or nonconforming supplies by repair or replacement; or (ii) return such defective or nonconforming supplies at Seller's expense to the Seller and recover from the Seller the order price thereof, or (iii) correct the defective or nonconforming supplies itself and charge Seller with the cost of the correction. The foregoing remedies are in addition to all other remedies at law or in equity under this order and shall not be deemed to be inclusive. All warranties shall run to the Buyer and its customers.

(c) Buyer's approval of the Seller's material or design shall not relieve Seller of the warranties set forth in this clause, nor shall waiver by Buyer of any drawing or specification requirement for one or more of the items constitutes waiver of such requirements for the remaining items to be delivered hereunder unless so stated by Buyer in writing. The provisions of this clause shall not limit or affect the rights of Buyer under the clause entitled "INSPECTION".

10. INSPECTION

(a) All supplies purchased hereunder shall be subject to inspection and test by Buyer to the extent practicable at all times and places, including the period of manufacture and in any event prior to final acceptance. If inspection or test is made by Buyer on Seller's premises, Seller, without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of Buyer's inspectors. No inspection or test made prior to the final inspection and acceptance shall relieve the Seller from responsibility for defects or other failure to meet the requirement of this order.

(b) In case any item is defective in material or workmanship, or otherwise not in conformity with the requirements of this order, Buyer shall have the right either to reject it, require its correction, or accept it with an adjustment price. Any item which has been rejected or required to be corrected shall be replaced or corrected by and at the expense of the Seller promptly after notice. If after being requested by Buyer, the Seller fails to promptly replace or correct and defective item within the delivery schedule. Buyer: (i) may, by contract or otherwise, replace or correct such item and charge to the Seller the cost occasioned hereby (ii) may, without further notice, terminate this order for default in accordance with the clause hereof entitled "TERMINATION FOR DEFAULT" (iii) may require an appropriate reduction in price.

(c) Notwithstanding any prior inspections or payments hereunder, all items shall also be subject to final inspection and acceptance at Buyer's plant within a reasonable time after delivery. The Seller shall provide and

maintain an inspection system which is acceptable to Buyer. Records of all inspection work shall be kept complete and available to Buyer during the performance of this order and for such further period as the Buyer may determine.

11. CHANGES

The Buyer may at any time, by a written order and without notice to sureties or assignees, suspend performance hereunder, increase or decrease the ordered quantities, or make changes within the general scope of this order in any one or more of the following:

- (a) applicable drawing, designs, or specifications
- (b) method of shipment or packing, and or
- (c) place of delivery

If any such change causes an increase or decrease in the cost of, or the time required for the performance of this order, an equitable adjustment shall be made in the order price or delivery schedule or both, and be valid unless asserted within twenty (20) days from the date of receipt by the Seller of the notification for exchange provided, however, that such period may be extend upon the written approval of the Buyer. However, nothing in this clause shall excuse the Seller from proceeding with the order as changed or amended.

12. TERMINATION FOR DEFAULT

(a) It is understood and agreed that time is of the essence under this order. Buyer may by written notice terminate this order in whole or in part if the Seller fails. (i) to make delivery of the items, or to perform the services within the time inspected herein or any extension thereof by written change order or amendment or (ii) to replace or correct defective items in accordance with the provisions of those clauses hereof entitled "WARRANTY and INSPECTION", or (iii) to perform any of the other provisions of this order or so fails to make progress as to endanger performance in accordance with its terms. The Buyer is the sole judge under such circumstances.

(b) In the event of termination pursuant to this clause. Buyer may procure, upon such terms and in such manner as Buyer may deem appropriate, supplies or services similar or substantially similar to those so terminated and the Seller shall be liable to Buyer for any excess costs occasioned Buyer thereby, provided that the Seller shall continue the performance of this order to the extent not terminated.

(c) If this order is terminated pursuant to paragraph (a) Buyer, in addition to any other rights provided herein, may require the Seller to transfer title and deliver to Buyer, in the manner and to the extent directed by Buyer (i) any completed items and (ii) such partially completed items and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information and contract rights (herein called "manufacturing materials") as the Seller has produced or acquired for the performance of the terminated parts and the Seller shall, upon direction of Buyer, protect and preserve property, as listed in this paragraph, in the possession of Seller. Payment for completed supplies delivered to and accepted by Buyer shall be in an amount agreed upon by the Seller and Buyer (not to exceed the contract price), however Seller's obligation hereunder to carry out Buyer's direction as to delivery, protection, and preservation shall not be contingent upon prior agreement as to such amount.

13. TERMINATION

(a) Buyer may terminate for convenience, work under this order in whole or in part, at any time by written or telegraphic notice. Upon any such termination Seller shall, to the extent and at the times specified by Buyer, stop all work on this order, place no further orders hereunder, terminate work under orders outstanding hereunder, assign to Buyer all Seller's interest under terminated sub-contracts and orders, settle all claims hereunder after obtaining Buyer's approval, protect all property in which Buyer has or may acquire an interest and transfer title and make delivery to Buyer of all articles, materials, work in process or other things held or acquired by Seller in connection with the terminated portion of this order. Seller shall proceed promptly to comply with Buyer's directions respecting each of the foregoing without awaiting settlement or payment of its termination claim.

(b) Within six (6) months from such termination, Seller may submit to buyer its written claim for termination charges, in the form of and with the certifications prescribed by Buyer, if being understood and agreed that no profit shall be allowed if it appears Seller would have sustained a loss on the order. Failure to submit such claim within such time shall constitute a waiver of all claims and a release of all Buyer's liability arising out of such termination.

(c) The parties may agree upon the amount to be paid Seller for such termination. If they fail to agree, Buyer shall pay Seller the amount due for articles delivered prior to termination and in addition thereto, but without duplication shall pay the following amounts.

1. The contract price for all articles completed in accordance with this order and not previously paid for.
2. The actual costs incurred by the Seller which are properly allowable or apportionable under recognized commercial accounting practices to the terminated portion of this order and a sum constituting a fair and reasonable profit on such costs. If it appears Seller would have sustained a loss on the order, no profit shall be allowed under this Subparagraph (2) and an adjustment shall be made reducing the amount of the settlement to reflect the indicated rate loss.
3. The reasonable costs of the Seller in making settlement hereunder and in protecting property in which buyer has or may acquire and interest.

(d) Payments made under paragraph 13C, exclusive of payments under subparagraph (3) shall not exceed the aggregate price specified in this order, less payment other wise made or to be made. There shall be excluded from any amount payable to Seller under this Section to all amounts payable in respect to property lost, damaged, stolen or destroyed prior to delivery to Buyer.

(d) The foregoing paragraphs A to D inclusive shall be applicable only to a termination for Buyer's convenience and shall not affect or impair any right of Buyer to terminate this order for Seller's default in the performance hereof.

14. RESPONSIBILITY FOR SUPPLIES

Notwithstanding any prior inspections and irrespective of the F.O.B. point named herein, the Seller shall bear all risks of loss, damage, or destruction to the supplies called for hereunder until final acceptance by Buyer at destination. Further, the Seller shall also bear the same risks with respect to any supplies rejected by Buyer provided, however, that in either case, the Buyer shall be responsible for any loss occasioned by the gross negligence of its employees acting within the scope of their employment.

15. WAIVER

The failure of Buyer to enforce at any time any of the provisions of this contract to exercise any election or option provided herein, or to require at any time performance by the Seller of any of the provisions hereof shall in no way be constructed to be a waiver of such provisions, not in any way affect the validity of this agreement or any part thereof, or the right of Buyer thereafter to enforce each and every such provision.

16. LAWS

Seller shall comply with all applicable federal, state and local laws, executive orders, rules and regulations, including but not limited to the Occupational Safety and Health Act of 1970 as amended ("OSHA"); the Toxic Substances Control Act as amended ("TSCA"); the Fair Labor Standards Act of 1938 as amended ("FLSA"); and Executive Order 11246 of September 24, 1965. Seller warrants that all products or services furnished hereunder shall conform to and comply with the OSHA standards and regulations and have been manufactured or furnished in accordance with the FLSA and regulations issued thereunder. Seller further warrants that all products delivered hereunder conform to and comply with the TSCA and regulations issued thereunder.

17. INSOLVENCY, LOSS OF PROFITS, DAMAGES

The insolvency or adjudication of bankruptcy, the filing of a voluntary petition of bankruptcy, or the making of an assignment for the benefit of creditors by the Buyer, shall be a material breach hereof. In no event shall Seller be entitled to anticipatory profits or to indirect, incidental, special or consequential damages, including, but not limited to loss of profits and loss of use of equipment, facilities capital or money whether such liability is grounded in contract, tort or any other cause whatsoever, and Seller hereby waives any claim it may have to damages of this type. Seller must commence suit with respect to any claim arising out of or in connection with this order within one (1) year after the cause of action accrued.

18. SUBCONTRACTING

No subcontracting shall be made by the Seller with any other party for furnishing any of the completed or substantially completed articles, spare parts, or work herein contracted for without the prior written approval of the Buyer.

19. INDEMNIFICATION

To the fullest extent permitted by law, Seller shall protect, defend, indemnify and hold harmless Buyer, its successors, assigns, subsidiaries, affiliates and customers or users against any and all damages, claims, or liabilities and expenses (including attorneys' fees) arising out of or resulting in any way from the performance of this order or arising out of the products or services furnished under this order regardless of whether or not such damage, claim or liability or expense is caused in part by a person or entity indemnified hereunder. Seller shall maintain general liability and property damage insurance as will protect Buyer from any such risks.

20. BUYER'S PROTECTION IN CONNECTION WITH WORK DONE AT ITS PLANT

The Seller shall take such steps as may be reasonably necessary to prevent personal injury or property damage during any work hereunder that may be performed by any employees, agents, or subcontractors of the Seller at the Buyer's plant, and the Seller shall indemnify and hold harmless the Buyer from and against all loss, liability, and damages arising from or caused directly or indirectly by any act or omission of such agents, employees or subcontractors of the Seller, and Seller shall maintain such insurance against public liability and property damage, and such Employee's Liability and Compensation insurance, as will protect the Buyer against aforementioned risks and against any claims under any Workman's Compensation and Occupational Disease Acts.

21. COMPLIANCE WITH LAWS

The Seller warrants that no law, rule or ordinance of the United States, a state, or any other governmental agency has been violated in the manufacture or sale of the items or in the performance of services covered in this order, and will defend and hold the Buyer harmless from loss, cost, or damage as a result of any such actual or alleged violation.

22. GRATUITIES

Seller warrants that it has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity with a view toward securing any business from Buyer or influencing such person with respect to the terms and conditions, or performances of any contract with an order from Buyer. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.

23. NON –DISCLOSURE OF CONFIDENTIAL MATTER

Materials purchased hereunder with the Buyer's specifications or drawings shall not be quoted for sale to others without the Buyer's written authorization. Such specifications, drawings, samples, or other data furnished by the Buyer shall be treated as confidential information by the Seller, shall remain Buyer's property, and shall be returned to it on request.

24. ASSIGNMENT

No right or obligation under this order (including the right to receive monies due hereunder) shall be assigned by Seller without the prior written consent of Buyer, and any purported assignment without such consent shall be void. Buyer may assign this order at any time if such assignment is considered necessary by Buyer in connection with a sale of Buyer's assets or a transfer of its obligation.

25. BUYER – FURNISHED PROPERTY

All tools or other materials furnished by the Buyer for use in the performance of this order shall remain the property of the Buyer, (or of the government as the case may be), shall be used by the Seller in the performance of this order only in accordance with the requirements or termination of the order to the extent not previously delivered to the Buyer.

26. NOTICE OF LABOR DISPUTES

Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, Seller will immediately notify the Buyer and any government representative designated by the Buyer of such dispute and furnish all relevant details. Seller will include a provision identical to the above in each subcontract hereunder and immediately upon receipt of any such notice pass it on to the Buyer.

27. PATENT LICENSE

(a) Seller warrants that the sale or use of any products or services furnished under this order will not infringe any patent, trademark or copyright or process of manufacture. Seller shall protect, defend, indemnify and hold harmless Buyer, its successors, assigns, subsidiaries, affiliates and customers or users from and against any and all claims, demands and liability for any alleged or actual infringement or wrongful use of any patent, trademark or copyright of the product or services furnished under this order; and

(b) Seller, as part consideration for this purchase order and without further cost to the Buyer, hereby grants and agrees to grant to the Buyer and to the extent requested by the Buyer to the government, an irrevocable, non-exclusive, royalty free right and license to use, self manufactured, and cause to be manufactured products embodying any and all inventions and discoveries made, conceived, or actually reduced to practice in connection with the performance of this order. If Buyer is prevented from using the products or services sold, Seller shall, at Buyer's option either (1) repair such products so that they are no longer infringing; (2) replace the products with non-infringing products or work; or (3) refund to Buyer the full purchase price of such infringing product.

28. INVENTION RIGHTS

If this order includes design, experimental, developmental or research work, (a) Buyer shall own all rights, title and interest in all work and such shall be considered Works for Hire; and (b) Seller shall communicate promptly to Buyer full details of any ideas, improvements, designs, or inventions (whether or not patentable) conceived of, developed or first reduced to practice by Seller or any of its employees in connection with the performance of this order. Upon Buyer's request, Seller shall assign to Buyer all right, title and interest of Seller of its employees in each such idea, improvement, design or inventions and to perform all acts (at Buyer's expense) and execute all papers necessary to vest in Buyer full right, title and interest therein, including the patenting thereof.

29. TOOLING AND DOCUMENTS

All specifications, drawings, or other documents and data furnished by Buyer and all tools, dies, molds, jigs, fixtures, patterns, machinery, special test equipment, special tape and gauges which have been furnished, paid for, or charged against Buyer, or which have had their cost amortized shall be deemed Buyer's property, treated as confidential information and delivered in good condition, (normal wear and tear expected), by Seller to Buyer F.O.B. the Seller's plant immediately upon request. Seller warrants that said items and information will not be used for any work or for the production of any material or parts other than for Buyer with Buyer's written permission.

30. GOVERNMENT CONTRACTS

If this Order is issued for any purpose which is either directly or indirectly connected with the performance of a prime contract with the Government or subcontractor hereunder, each of the herein below named clauses, as set forth by the Armed Services Procurement Regulation in effect on the date of the Order, is incorporated herein by reference if such clause (or any earlier edition thereof) is in said prime contract or subcontract, the clauses so incorporated herein apply to Seller as though Seller were a prime contractor and no such manner as will enable Buyer to meet its obligations arising out to the Government prime of subcontract: 7-103:1, Definitions 7-103.5, Inspection 7-103.6. Title and Risk Loss; 7-103:10.Federal State, Local and Foreign Taxes: 7-103.11, Default: 7-103.12 Disputes 7-103.13 Renegotiations: 7-103.14, Discounts: 7-103.16, Contract Work Hours and Safety Standard Act. Overtime Compensation 7-103.71, Walsh-Healy Public Contract Act: 7-103.18, Equal Opportunity Clause: 7-103.24, Responsibility for Inspection:7-103.26, Pricing of Adjustments: 7-103.27, Listing of Employment Openings: 7-104.14, Utilization of Small Business Concerns: 7-104.20, Utilization of Labor Surplus Area Concerns: 7-104.43 New Material:7-104.3, Buy American Act 7-104.11 Excess Profits: 7-104.12 Military 7-104.23 Price Reduction for Defective Cost or Pricing Data and 7-104.42,

Subcontract Cost of Pricing Data. Where any references above contains alternative clause, that alternative shall apply which is required by and most consistent with this Order.

31. APPLICABLE LAW

This order shall be governed by, subject to, and construed in accordance with the Laws of the State of Michigan without regard to its choice of law rules. The parties hereto specifically waive the provisions of the U.N. Convention on Contracts for the International Sale of Products, if applicable.

Revision Date: June 1, 2005