

TERMS AND CONDITIONS

1. ACCEPTANCE

This Purchase Order constitutes an offer which can be accepted by Seller only under its exact Terms and Conditions by (I) signing and returning the acknowledgement copy (II) commencing work on any products or services ordered (III) shipping any of the products or providing any of the services ordered or (IV) by Buyers written acknowledgment that sellers Terms or Conditions which conflict with or are additional to the Terms and Conditions of this Purchase Order shall apply. When accepted, this Purchase Order and any applicable specifications shall be the sole and entire contract.

2. PRICES AND EXTRA CHARGES

Seller's prices shall not be (I) higher than the price stated on the Purchase Order and (II) shall be lower if Sellers prices for products or services of like grade and quality are lower than the Purchase Order prices. Seller's price where no prices are stated, shall be (I) Seller's lowest prices for products or services of like grade and quality or (II) the fair market prices of the products or services, whichever are lower, in all events. Buyer shall receive the benefit of all price reductions for drayage, FOB Destination, freight, packing, storage, taxes, tooling, or tool maintenance unless specifically agreed to in writing.

3. QUANTITIES

Unless otherwise agreed to in writing, the obligation of Buyer is limited to the specific quantities set forth in the Purchase Order. Seller warrants that all markings of weight or measurement shall be accurate and complete.

4. SPECIFICATIONS

Specifications describe the products or services to be furnished including but not limited to descriptions of the dimension, finish, functional characteristics, general quality, material, manufacturing methods, quality control procedures and tolerance of the products or services covered by this Purchase Order. Specifications are furnished in various forms including but not limited to blueprints, catalogs, designs, drawings, engineering instructions, quality control procedures and written specifications. If any specifications or instruction, in whatever form, supplied by Buyer appears to be in conflict with another specification or instruction or is insufficient or unclear, it shall be the duty of Seller to request clarification from Buyer. Buyer shall be the final judge of whether the products or services are nonconforming under the specifications and under this Purchase Order.

5. PART APPROVAL PROCEDURE

Supplier Shall Adhere to IATF-16949, International Quality Standard AIAG PPAP Manual (4th edition) or Contact the Customer directly to determine PPAP requirements due to EXTERNAL / INTERNAL PART or PROCESS changes.

6. DELIVERY- 100% ON TIME DELIVERY IS REQUIRED

Time is of the essence of this Purchase Order. Products shall be delivered and services provided in accordance with the shipping and delivery instructions provided by Buyer. Unless otherwise specified, all products shall be tendered in a single delivery. Seller shall immediately notify Buyer whenever Seller has reason to believe that any scheduled delivery will be late.

7. INSPECTION

Seller shall employ adequate quality control procedures and comply with the quality control procedures provided by Buyer. Buyer and their customer shall have the right to inspect and test all products and services and reject or revoke acceptance of nonconforming products and services and reject or revoke acceptance of nonconforming products and services either before shipment, upon delivery, or at any time after delivery. Buyer's right of inspection and revocation of acceptance shall survive the acceptance of and the payment for the products or services and shall survive any resale by Buyer. Seller shall be responsible for all rework charges relating to defective material including defective material shipped to Buyer's customers.

8. BILLING AND PAYMENT

Invoices and shipping documents shall be mailed postage prepaid to the address shown on the face of the Purchase Order. The Purchase Order number, part number and quantity must appear on all shipping documents, invoices and correspondence. The payment date and discount period will be calculated from the date the invoice is received by Buyer or the goods are received by Buyer, whichever occurs later, provided, however, that the payment date and discount period shall be calculated from the scheduled date of delivery if the deliveries and invoicing are made ahead of schedule. Progress payments for construction work are subject to a 10% retention until final acceptance of the construction work by Buyer. No payment for construction work shall be made or due without releases of mechanic's lien from all contractors, subcontractors and material men.

9. RETURNS

Buyer shall have the right to return at Seller's expense any part of all of the nonconforming products. Buyer shall have the right to return at the expense of Seller any part or all of the conforming products if quantities tendered or delivered are different than the quantities specified on the Purchase Order or the products are not tendered or delivered as scheduled.

10. RISK OF LOSS

The risk of loss for conforming goods shall be on the Seller until the products are delivered to the destination specified in the Purchase Order regardless of whether Buyer or Seller is paying for the freight provided. However, Buyer shall assume the risk of loss for products while being transported on Buyers vehicles. The risk of nonconforming products shall be on Seller at all times.

11. TOOLING, MATERIALS AND DOCUMENTS

All tooling (including but not limited to dies, fixtures, gauges, patterns and tools), all written materials (including but not limited to blueprints, drawings and specifications) or other tangible items furnished by Buyer or paid for by Buyer either as a separate item or as part of the unit price shall be and remain the property of Buyer and will be delivered to buyer at its request in condition, ordinary wear and tear excepted. Seller shall be responsible for tool maintenance and shall not use Buyers tooling, material or documents to make products for anyone else. Buyer deems its tooling specification to be trade secrets and requires Seller to maintain any of Buyers specifications in a confidential manner. Risk of loss shall be Sellers. To protect Buyers interest, Seller authorizes Buyer to sign and file a UCC financing Statement covering the foregoing described property of Buyer.

12. CHANGES

Buyer may at any time make changes in the drawings, specifications or approved samples of any products or services covered by this Purchase Order. If such changes result in an increase or decrease in the marginal costs of Seller, then an equitable adjustment shall be made in the price or prices and this Purchase Order shall be modified accordingly. Buyer may at any time extend delivery dates due to Force Majeuro (as defined in Section 12) or for reasonable periods of time in the absence of Force Majeuro without incurring any additional costs or expenses.

13. CANCELLATION

Buyer may cancel this Purchase Order for cause in whole or in part without any obligation or liability on the part of Buyer. Cause includes, without limitations (I) Sellers breach of any provisions of this Purchase Order including, without limitation, the failure to deliver on time, delivery of nonconforming products or services or the breach by Seller of any warranties; (II) Sellers insolvency or bankruptcy or (III) any cause or condition beyond Buyers control including, without limitation acts of God, the public enemy, accidents, explosions, fires, other casualties, wars, riots, embargoes, epidemics, shortages, unusually severe weather, governmental action, transportation difficulties, strikes, lockouts, other labor difficulties, the inability to obtain necessary materials and the failure of Buyers suppliers to deliver or perform (Force Majeuro).

14. TERMINATION

Buyer may terminate this Purchase Order in whole or in part without cause. In the case of special order products and services made and provided primarily in accordance with specifications of Buyer, Buyer shall be liable, only for marginal or variable costs and expenses (excluding, without limitation any liability for fixed or period costs, selling, general or administrative expenses, interest or profits) incurred by Seller prior to the date of termination, less full credit for direct materials or tooling reusable by Seller and less the full scrap or salvage value for materials or tooling which cannot be reused by Seller in the case of all other products or services (including, but not limited to those products or services where Buyers specifications are secondary or incidental), then Buyer shall be liable for the Purchase Order price only for the products shipped or services provided prior to the date of termination.

15. SELLER'S EXCLUSIVE AND SOLE REMEDY

Notwithstanding any breach of this Purchase Order by Buyer, it is expressly agreed that Sellers remedy and the liability of Buyer (whether for special order products and services or all other products and services) as set forth in Section 13 represents the exclusive and sole remedy of Seller under this Purchase Order.

16. MODIFICATION, RECISSION AND WAIVER

This Purchase Order is intended by the parties hereto as the final expression of their agreement and it is the complete and exclusive statement of the terms and conditions thereof. No modification or rescission of this Purchase Order by Buyer or any waiver of rights under this Purchase Order by Buyer shall be binding upon Buyer unless it is in writing and signed by Buyer.

17. WARRANTIES

Seller represents and warrants that Seller has special skills and that Buyer is relying on the skill and judgment of Seller to select and furnish suitable products or services. All written or oral statements of Seller as to functions, quality, suitability, and use of the products or services are warranties of Seller. Seller represents and warrants that all products (including packaging) and services (including construction work) provided under this Purchase Order shall: (I) fully and strictly conform to the specifications (II) be free of defects; (III) be of good material and workmanship and (IV) are merchantable and fit the general and particular purposes for which they are required. If any products or services are nonconforming, Seller shall, if Buyer requests, promptly and without charge, repair or replace the products or provide replacement services. Seller shall be liable for all direct, incidental and consequential damages resulting from nonconforming products or services, breach of any other warranties or provisions of this Purchase Order.

18. PATENTS AND OTHER INTANGIBLE RIGHTS

Seller represents and warrants that the products or services provided under this Purchase Order do not infringe, or contribute to or induce infringement, of any United States or foreign letters patent, trademarks, or copyrights and do not breach any employment agreements, restrictive covenants or contracts or infringe any other intangible rights.

19. COMPLIANCE WITH LAWS

Seller represents and warrants that all products or services to be provided under this Purchase Order shall strictly comply with all Federal, state, local and where applicable, foreign laws, regulations, rules and ordinances including but not limited to the Fair Labor Standards Act of 1938 as amended, the Flammable Fabrics Act as amended, the Federal Hazardous Substance Act as amended, the Consumer Products Safety Act, the Textile Fiber Identification Act, the Occupational Safety and Health Act of 1970 as amended, the Civil Rights Acts, the Equal Opportunity clauses as set forth in section 202 of Executive Order 11246, as amended, section 503 of the Rehabilitation act of 1973 as amended, and section 402 of the Vietnam Era Veterans Readjustment act of 1974, as amended, and the rules and regulations pursuant thereto, all Federal and state environmental protection acts, the Motor Vehicle Safety Act and the Toxic Substance Control Act.

20. WAIVER AND INDEMNITY

Seller, its agents, contractors and employees waive any and all claims against Buyer for personal injuries or property damages arising out of or related to providing the products or services (including construction work) under this Purchase Order. Seller shall indemnify, defend, protect and hold harmless Buyer from any and all actions, claims, costs, expenses, fees (including reasonable attorney's fees), investigations, liabilities, losses or suits arising out of or related to the products or services provided under this Purchase Order, including but not limited to those which (I) involve any actual or alleged injuries or death to any person or property damage, resulting in whole or part from defective or allegedly defective products or services provided hereunder, (II) involve actual or alleged infringement of any United States or foreign letters patent, trademarks, copyrights, or other intangible rights by reason of the use or sale of any products or services provided hereunder; (III) involve actual or alleged violation of any law, regulations, rule or ordinance relating to the use or sale of any products or services provided hereunder or (IV) involve claims of Seller, its agents, contractors and employees relating to personal injuries or property damages sustained in providing the products or services (including construction work) under this Purchase Order.

21. INSURANCE

Seller agrees to obtain and maintain policies of insurance including but not limited to policies providing public liability, product liability with a broad form vendors endorsement naming Buyer, automobile liability and workmen's compensation coverage in such amounts, with such companies and containing such other provisions which shall be satisfactory to buyer relating to the products or services covered by this Purchase Order. Seller shall provide Buyer with certificates of insurance and all such policies and certificates shall provide that the coverage provided by such policies shall not be terminated or cancelled without at least ten (10) days prior written notice to Buyer.

22. COST OF LITIGATION AND INTEREST

If Buyer prevails in any litigation involving this Purchase Order, Seller agrees to pay all costs of Buyer in connection with such litigation including, without limitation, reasonable attorneys fees plus interest at the rate of 18% per annum, or the highest rate allowed by law, whichever is lower on all amounts due or payable by Seller to Buyer from the date Buyer notifies Seller that Seller has breached this Purchase Order or the date such amounts become due or payable to Buyer, whichever is first.

23. RECORDS

Seller shall grant access to Buyer for the purpose of copying during business hours all records of Seller relating to the products or services to be provided under this Purchase Order.

24. TRADE SECRETS AND CONFIDENTIAL INFORMATION

Seller shall not disclose or use except to the extent required to fulfill this Purchase Order any confidential matters or trade secrets of Buyer.

25. ASSIGNMENT

This Purchase Order may not be assigned in whole or part by Seller without the express written consent of Buyer. Seller shall not issue any press releases or originate any publicity in any form regarding this Purchase Order without the prior written consent of Buyer.

26. GOVERNING LAW

This Purchase Order including the provisions relating to the providing of services shall be governed by the Uniform Commercial Code of the State of Ohio and such other laws of the State of Ohio that may be applicable to the Purchase Order.

27. ERRORS AND OMISSIONS

Errors or omissions, including but not limited to stenographic and clerical errors are subject to correction at any time.

28. RIGHTS AND REMEDIES OF BUYER

All rights and remedies of Buyer set forth in this Purchase Order shall be in addition to and not in lieu of any rights or remedies provided by law and all right and remedies of whatever nature shall be cumulative and the past waiver of or failure to enforce any right or remedy shall not constitute the waiver of that or any other right or remedy.

29. COUNTERFEIT GOODS PREVENTION

Supplier agrees and shall ensure Counterfeit Goods are not contained in the Goods delivered to the Buyer through the implementation of policies that include prevention, detection and risk mitigation methods to protect against the use of counterfeit parts. Supplier shall purchase parts directly from the Original Equipment Manufacturer (OEM)/Original Component Manufacturer (OCM) or from a distributor authorised by the OEM/OCM. Procurement through an independent distributor or broker is NOT Authorised

30. ETHICAL BEHAVIORS

GB Manufacturing endorses good corporate governance. It is imperative that our suppliers operate with honesty, integrity, and accountability. Ethical behaviour is expected of all suppliers (including tiered suppliers) and persons under the control of its operations.