

**GENERAL TERMS AND CONDITIONS OF SALE**  
**YAZAKI NORTH AMERICA, INC.**

**1. Applicable Law and Jurisdiction.** These general terms and conditions apply to all proposals, quotations, acknowledgments, invoices submitted by Yazaki North America, Inc. ("Seller"), to all purchase orders, order releases, and pull signals received by Seller, and to all goods and services sold by Seller, except as otherwise specifically provided in a document issued by Seller. This sale or any sale resulting herefrom consists only of these terms and conditions and those in other documents which are referred to herein or are attached hereto or in a document subsequently signed by Seller and referencing this transaction (all of which constitute the "Agreement"). **THE AGREEMENT SHALL BE GOVERNED, CONSTRUED AND ENFORCED UNDER THE LAW OF THE STATE OF MICHIGAN INCLUDING THE UNIFORM COMMERCIAL CODE IN FORCE ON THE INITIAL DATE OF THE AGREEMENT ("UCC"), EXCEPT AS PROVIDED HEREIN.** The U.N. Convention on the International Sales of Goods shall not apply. Any services to be provided hereunder, whether or not they are otherwise ancillary to and part of a sale of goods (whether as separate units or included in a construction project), shall be considered ancillary to a sale of goods and the UCC shall apply to all goods and services to be provided hereunder ("Goods"). **THE COURTS OF MICHIGAN SHALL HAVE JURISDICTION OVER THE PARTIES AND THE CLAIMS ARISING UNDER THE AGREEMENT SUBJECT TO ANY RIGHT OF ARBITRATION WHICH MAY BE PROVIDED BY THE AGREEMENT.** The parties stipulate to the convenience of Michigan courts in general, and Oakland County Circuit Court in particular, as to all litigation. Any declaration of unenforceability of a provision shall be as narrow as possible and shall not affect the enforceability of the other provisions.

**2. Formation, Integration and Modification.**

A. The Agreement supersedes all previous quotations and agreements pertaining to the Goods. The Agreement is subject to Seller's revocation or cancellation without liability until it is approved by the Seller at its home office. Notice of such approval may be furnished to the Buyer in the form of an acknowledgment, shipment, invoice or other form of express approval.

B. Orders submitted in Buyer's purchase order or other writing (whether or not it contains terms or conditions modifying, adding to, repugnant to, or inconsistent with the terms and conditions of the Agreement), may be accepted, approved or filled by Seller, but any resulting contract and the liabilities or obligations of Seller shall be determined solely by the Agreement, and (unless the Seller otherwise advises Buyer in writing) notice is hereby given that Seller objects to any such terms or conditions in Buyer's purchase order or other writing. Seller shall not be deemed to have in any way enlarged or modified its liabilities or obligations under the Agreement by filling such purchase orders or by failing to further object to Buyer's terms or conditions.

C. The Agreement is a final, complete and exclusive statement of the Agreement of the parties. **THE SELLER IS WILLING TO NEGOTIATE WRITTEN CHANGES TO THESE TERMS AND CONDITIONS, BUT RESERVES THE RIGHT TO MAKE AN ADJUSTMENT IN THE PRICE OF THE GOODS.** No modifications, limitations, waivers or discharge of the Agreement or any of its terms shall bind Seller unless in writing and signed by Seller's authorized employee at its home office. Notwithstanding anything to the contrary in this Agreement, no modifications, limitation, waiver or discharge of any provision of the Agreement shall affect the Buyer's liabilities to Seller accrued prior thereto. Seller may correct unilaterally any mathematical and typographical errors in the Agreement. A course of performance shall not constitute a modification or waiver by Seller of any right.

D. The Agreement is only for the benefit of the parties, except all disclaimers and limitations applicable to Seller shall be for the benefit of Seller's agents, employees, contractors, and suppliers. If any other provisions of the Agreement are determined to apply to other parties, all other provisions including limitations, waivers, and disclaimers shall also apply.

E. Goods quoted to Buyer are subject to prior sale or other commitment.

F. Buyer and Seller acknowledge that: they are merchants in respect to the Goods; they have had an opportunity to review the Agreement; and the provisions of the Agreement are reasonable when considered as a whole.

**3. Authority of Seller's Agents.** No agent, employee, or representative of the Seller has any authority to bind the Seller to any affirmation, waiver, representation or warranty concerning the Goods, not contained in the Agreement. Unless an affirmation, waiver, representation, or warranty is expressly included within the Agreement, it is not a part of the basis of the Agreement and it is not enforceable.

**4. Prices, Payment and Risk of Loss.** A. Prices contained in Seller's published price lists, if any, are subject to change without notice. Prices contained in individual written quotations or proposals are firm only for a period of thirty (30) days from the date of the quotation. Beyond the thirty (30) day period the prices are subject to change, and Buyer should inquire of Seller as to their validity and request a written confirmation or revision. Unless otherwise provided, prices do not include taxes, transportation charges, engineering documentation, special packaging, marketing or testing and Buyer shall pay all such charges, including applicable sales or other taxes levied with respect to Goods and the Agreement (unless exempt therefrom). All prices are in United States dollars. Buyer shall pay all government fees levied on the installation and inspection of the Goods. Buyer shall pay for all such items upon receipt of invoice from Seller according to the invoice terms.

B. If Buyer's order requires breakage of the standard pack quantities specified by Seller, Seller may charge a breakage fee of Fifty Dollars (\$50.00) for each standard pack that must be broken to fill Buyer's order.

C. This Agreement is for a shipment contract and the Goods shall be delivered F.O.B. Seller's facility, unless otherwise provided herein. Whether or not Seller prepays shipping charges, risk of loss passes to Buyer upon delivery of the Goods to a carrier. Seller's breach of the Agreement shall not affect the passing of the risk of loss to Buyer notwithstanding any provision of law to the contrary.

D. Prices are firm for Goods to be delivered within 12 months from timely receipt of a timely order. For those Goods to be delivered after 12 months from an order, adjustments in prices may be made by Seller at its sole discretion. If any delay in delivery beyond the date of delivery scheduled at the time of entry of the order is requested or otherwise caused by the Buyer, Seller may adjust the price under the provisions of this subsection. Prior to Buyer's acceptance of Seller's order, Seller may unilaterally adjust the price to cover increases in the costs of materials occurring or in the cost of its performance because of any change in the law after the date of any quotation.

E. Seller may unilaterally increase prices to cover increased costs (plus reasonable overhead and profit) of design, materials, and manufacturing required by changes requested by Buyer after the date of any quotation.

F. Except as otherwise provided in the Agreement, Seller shall not be responsible for freight, transportation, insurance, shipping, storage, handling, demurrage or similar charges. If such charges are specifically included in the price, any increase in rates becoming effective after the date the price is quoted to the Buyer shall be added to the price.

G. If, at any time, reasonable grounds for insecurity arise with respect to Buyer's performance of its payment or other obligations hereunder, Seller may demand immediate payment in full or financial security for such payment or other obligations.

H. All export and import permits and licenses and the payment of all export and import duties and customs fees shall be the responsibility of Seller, provided Seller is obligated by the Agreement to deliver the Goods within the United States. All export and import duties, fees, permits, licenses, *etc.* for Goods to be delivered outside of the United States shall be the responsibility of the Buyer.

I. Invoices may be rendered separately for each shipment (including any early shipment) made by Seller and, subject to other provisions of the Agreement, will be due net thirty (30) days after the date of shipment.

J. Regardless of whether the parties' contract anticipates shipment of goods in installments, Seller may elect to deliver the Goods in installments. Each installment of Goods to be delivered is to be considered as a separate sale and the Buyer shall timely pay the price for each installment which is delivered. Any Goods indicated as back-ordered now or in the future shall be considered an installment delivery. A failure to pay for an installment within the time for payment is an anticipatory material breach of other installments by Buyer.

K. All amounts not paid to Seller when due shall incur a carrying charge of 1.5% per month to the extent allowed by law and otherwise at the highest written contract rate allowed by law.

L. All amounts due on installation or other event which requires the action or cooperation of Buyer which Buyer fails to supply timely shall become due upon such failure.

M. If this Agreement permits or requires the use of a letter of credit, the letter of credit must be assignable, irrevocable, confirmed by a United States bank in Michigan acceptable to Seller, payable in installments, and require payment to Seller on submission of Seller's invoice and a bill of lading.

**5. Delivery.**

A. If this Agreement is for a blanket order or an order where Buyer does not order a stated quantity, and Seller accepts such order in accordance with Section 2 B. of this Agreement, Seller shall not be obligated to sell the quantity estimated by Buyer or ordered by Buyer in any subsequent order release, pull signal, or order specifying quantity, unless otherwise set forth on the front page. Under no circumstances, shall this Agreement be treated as a requirement contract. Any subsequent order release, pull signal, or order specifying quantity issued by Buyer with respect to the part number(s) for the Goods specified on the front page shall constitute a separate and independent offer to purchase certain quantity of the Goods and shall not obligate Seller to sell the quantity of the Goods specified in such order release, pull signal or order unless and until Seller accepts such offer in accordance with Section 2 B. of this

Agreement. If and when Seller accepts such offer, a separate or an independent contract shall be formed subject to the terms and conditions of this Agreement.

B. Shipping dates are estimates based on Seller's present engineering and manufacturing capacity and scheduling, and may be revised by Seller upon receipt or scheduling of Buyer's order. All shipping dates are approximate and shall be computed from the date of entry of the order on Seller's books. All shipping dates are further subject to Seller's prompt receipt from Buyer of a written purchase order or acceptance, letter of credit, down payment, and other conditions as specified in the Agreement, and of all drawings, information and approvals necessary to provide the Goods and to grant any credit proposed in the Agreement.

C. Seller shall put the Goods in the possession of a carrier and, without liability, make such contract for their transportation as Seller decides having regard for the nature of the Goods and other circumstances. On Buyer's request, Seller shall obtain and deliver to Buyer documents necessary to enable the Buyer to obtain insurance. The Seller is not responsible to prepay transportation or insurance costs. The Buyer shall pay all handling and other charges incidental to transportation. Seller will generally follow the Buyer's shipping instructions, but may make reasonable changes thereto without liability and at Buyer's cost.

D. Goods shall be packaged and labeled in accordance with standard labeling of Seller. Identification of all packages shall be with the standard labels of Seller. Identification of all packages shall be with the Seller's part number. Special packaging or labeling shall be an additional charge to Buyer.

#### **6. Delay of Shipment or Performance Excused for Various Reasons.**

A. If shipment of any item or other performance by Seller is delayed at the request of or due to the fault of the Buyer, the Seller may at its option hold the item at the place of manufacture at the risk and expense of the Buyer from the time it is ready for shipment. In the event of any such delay in shipment, full and final payment for an item shall be due and payable thirty (30) days after the Buyer is notified that the item is ready for shipment. If the Seller is unwilling to accommodate the Buyer by holding such item, the Buyer agrees to accept shipment immediately.

B. All inspection, delivery, and other dates for Seller's performance are estimates only. In addition, the Seller shall not be in default because of its delay or failure to deliver or perform resulting, in whole or in part, from: (i) any foreign or domestic embargoes, seizures, acts of God, insurrections, war, or the adoption or enactment of any law, ordinance, regulation, ruling or order, or (ii) the lack of usual means or transportation, fires, floods, explosions, strikes or any other accidents, contingencies, or events, at the Seller's or its supplier's plant or elsewhere (whether or not beyond the Seller's control) which directly or indirectly interfere with, or render substantially more burdensome, Seller's production, delivery, or performance, or (iii) delays by Buyer in inspecting and acceptance, in furnishing requested specifications, materials, tooling or information, in making payments, or otherwise. In the event that one or more deliveries hereunder is delayed by reason of any one or more of such occurrences for a period of 60 days, the Seller may, at its option, cancel the Agreement as to the undelivered goods or waive such delay and establish a new delivery schedule.

C. Whenever the Seller's supply of the Goods, materials or means of production is insufficient to meet the estimated delivery schedule or in the event of any occurrence mentioned above in subsections A and B, the Seller, in its sole discretion, may allocate its supply to its own use or other orders.

D. This section shall be effective even as to events described in subsections A, B and C which exist on the date of a quotation or of contract formation.

#### **7. Inspection, Testing and Rejection.**

A. If the Agreement expressly provides for Buyer's inspection and/or acceptance of the Goods, Seller's standard test procedures conducted by Seller's representative shall be the criteria for inspection and/or acceptance, unless other specific procedures have been specified in the Agreement. On request Seller will quote to Buyer additional charges required to conduct any additional procedures requested by Buyer which may be acceptable to Seller.

B. All drawings, specifications, technical documentation, samples, prototypes and Goods shall be deemed accepted by Buyer if Buyer does not provide a rejection within seven (7) days of receipt or other reasonable time established by Seller. Buyer shall have seven (7) days after receipt of the item to inspect and either accept or reject it. If it is rejected, notice must be given to the Seller so that it will arrive no later than fourteen (14) days after receipt of the item by the Buyer. Failure to so act shall constitute an irrevocable acceptance by the Buyer of the item. Any rejection by the Buyer must be in writing and state with specificity all defects and non-conformities upon which Buyer will rely to support its rejection. ALL DEFECTS AND NON-CONFORMITIES WHICH ARE NOT SPECIFIED ARE WAIVED. If the Buyer rejects any tender of the Goods and if requested by Seller, Buyer shall return them to the Seller, pursuant to Seller's direction. A failure to so return shall constitute an irrevocable acceptance. No attempted revocation of acceptance shall be effective, and Buyer shall be limited to the remedies specifically provided in the Agreement.

C. If the Agreement requires, or Seller requests in writing, inspection or testing prior to shipment, and upon notification by Seller that the Goods are ready for inspection or testing, the Buyer shall provide at the place of manufacturer, at its own expense, one or more qualified and authorized employees to inspect and/or test the Goods, check them for general compliance with the Agreement, and authorize shipment. If Buyer fails to do so within seven (7) days, then the Seller may, in its own discretion, determine that Buyer has waived the right of inspection, testing and/or acceptance prior to shipment of the Goods. Correction of defects or non-conformities, which would likely have been discovered by Buyer's inspection and/or testing and otherwise covered by Seller's warranty, will be at the Buyer's expense.

D. Buyer shall provide, at its cost and risk of loss, all materials, fixtures, tooling and other items necessary for any inspection and/or testing required by the Agreement or requested by Seller. If the Buyer fails to supply such items within the time required, Seller may supply them at Buyer's expense. Equipment, parts and materials furnished by Buyer for Seller's testing and/or inspection will be returned to Buyer at Buyer's cost, unless Buyer authorizes their disposal. If the Goods include the necessary fixtures and tooling, the inspection and/or testing at the place of manufacture may be performed on equipment similar to but other than that identified to the Agreement.

E. Any claim by the Buyer for shortages in any delivery must be in writing with satisfactory evidence delivered to the Seller within 30 days of receipt.

F. Any expense incurred by Buyer in the inspection or testing of Goods shall be paid by the Buyer, whether or not the Goods have been rejected as defective or nonconforming or the Goods have been accepted and a warranty claim has been made for correction of a defect or non-conformity.

G. Seller may charge Buyer on restocking charge equal to twenty-five percent (25%) of the invoice price of the returned Goods. Returned Goods must be returned to Seller in the original packaging and Buyer must first obtain a written consent from Seller to return the Goods. Seller may offset the restocking charge against any amounts Seller owes to Buyer.

#### **8. General Express Warranties.**

A. Seller warrants to the Buyer only, that Goods (or portions thereof manufactured by Seller) shall be free from manufacturing defects in materials and workmanship which are discovered within the period of 12 months from the date the Goods leaves Seller's control, subject to the disclaimers and limitations of the Agreement. This is not a warranty of performance, but a limited warranty as to the condition of the Product at the beginning of the warranty period.

B. Seller also warrants to Buyer that the Goods will be as described in the Agreement in all material respects, subject to the limitations stated herein and Seller's published and internal standards; however, Seller retains the right to change the dimensions, composition, design, performance, color and appearance of the Goods without liability if, in its judgment, the change is non-material. Seller may, in its discretion, also rely on any generally accepted industry standards.

C. Seller's warranties shall apply only if the Goods: (i) have been installed, maintained, and used in conformity with instructions furnished by Seller from time to time, if any; (ii) have been subjected to normal use for the purpose for which Goods were designed; (iii) have not been subjected to misuse, negligence, or accident; and, (iv) have not been altered or repaired by persons other than Seller in any respect which, in the judgment of Seller, adversely affects the condition or operation of the Goods.

**9. Patent Express Warranties.** Seller shall defend and indemnify Buyer from any claim which asserts that the Goods or their inherent method of operation, intrinsically, infringe any United States patent, except as to a claim based on Buyer's use of the Goods as a step in an overall process or as an element in an overall combination. Seller's obligation shall not apply to a claim based on Goods or portions thereof specified, designed, or manufactured by Buyer. Buyer shall notify Seller promptly of any assertions of patent infringement and provide Seller with assistance and information requested by Seller for its defense, or shall have no further obligation to defend or indemnify. Seller shall defend with its counsel or other counsel of its choice and shall have the sole right, without consultation with Buyer, to take all action Seller deems appropriate to prosecute or settle such claims. Seller's exclusive obligation to indemnify as to Goods declared to infringe is limited to the acquisition of a license, the replacement of Goods with non-infringing goods, the modification of the Goods so that they are non-infringing, or the return of the purchase price and shipping costs in exchange for the Goods, as Seller may elect. This section states the Seller's entire and exclusive obligation regarding patent infringement and remedies therefor, and Buyer waives all other rights.

**10. Disclaimer and Limitation of Express Warranties.** There are no express warranties other than those contained in the Agreement, and any representations as to performance and other matters, except as contained in the Agreement, were for illustrative purposes only and do not constitute a warranty. Whether or not the Goods are to be used exclusively by Buyer, there shall be no third party beneficiaries to the express warranties contained herein. All descriptions, shipping specifications and illustrations of the goods in catalogues, brochures and price lists or otherwise provided by the Seller are intended for general guidance only and the Seller is not responsible for any errors or omissions therein or for any loss or damage resulting from reliance on them. Seller does not warrant that it or the Goods are in compliance with any industry standards, guidelines, or procedures unless specifically contained in the Agreement.

**11. Remedy and Limitation of Seller's Liability.** Defective or non-conforming Goods or parts thereof discovered during the warranty period shall be repaired, or replaced by Seller without any additional charge and shipped to Buyer, FOB Seller's plant, for reinstallation by Buyer, subject to the terms hereof. The warranty obligation of Seller is limited to the repair or replacement of any part of the Goods which Buyer shall, within the warranty period, return to Seller, with transportation charges prepaid by Buyer, and which Seller shall determine upon examination to be defective or not in conformity with the express warranties contained herein. In lieu of repair or replacement, if Seller elects, Seller may, upon return of such Goods and making a determination of non-conformity or defect, keep the Goods and refund the purchase price. Buyer's remedies shall be limited (even in the event of Seller's default of its warranty obligations) exclusively to those provided in this section. UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES. Buyer waives any causes of action or theories of liability including, but not limited to, those arising under contract, tort, strict liability, product liability, statutes, or otherwise, except as specifically provided by the UCC as modified and limited herein. The replacement or repair of Goods by the Seller does not give rise to any new warranty except the warranty period provided for herein shall be extended by the length of any period in which defective or non-conforming Goods are in possession of the Seller.

**12. Disclaimer of Implied Warranties.** SELLER DISCLAIMS ALL IMPLIED WARRANTIES (OTHER THAN GOOD TITLE) INCLUDING BUT NOT LIMITED TO THOSE OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND NON-INFRINGEMENT. There are no warranties which extend beyond those express warranties contained in this Agreement. Buyer affirms that it has not relied upon the Seller's skill nor judgment to select or furnish Goods for any particular purpose beyond the specific express warranties in this Agreement. Seller does not warrant the Goods will comply with the requirements of any safety or environmental code or regulation of any federal, state, municipality or other jurisdiction beyond the specific express warranties in this Agreement.

**13. Indemnification.**

Buyer shall indemnify the Seller from any and all third party claims, damages, and expenses (including reasonable attorney fees) under theories of tort, product liability, negligence (ordinary or gross), warranty, contract, statute, or otherwise arising out of the use, storage, sale, processing or other disposition of the Goods, supplies or materials used in connection with the Goods, or parts manufactured with the Goods, if the action or inaction of the Buyer or its employees, customers or agents, or the Buyer's design specifications, were a material or proximate cause of injuries or damages giving rise to claims against the Seller.

**14. Cancellation and Breach.**

- A. Buyer may cancel its order for the Goods prior to their shipment by immediate payment to Seller of liquidated damages in the amount of the invoice price of the Goods. The parties acknowledge the great difficulty of proving damages for the cancellation of products such as the Goods and the reasonableness of this liquidated damages provision.
- B. If Buyer defaults in the performance of its obligations, if Buyer advises Seller that it will default in the performance of its obligations, or if any action is started by or against Buyer seeking the appointment of a trustee or receiver or the entry of an order for debtor's relief for Buyer, the Seller may cease performance of its obligations, recover Goods in transit or delivered, retrieve delivered Goods, and otherwise enforce its remedies for Buyer's default.
- C. Seller shall be awarded incidental damages and costs (such as actual reasonable attorney fees) in any proceeding to enforce its remedies in which it obtains relief or damages.
- D. The Seller may require that the Buyer post security for any or all amounts to be paid if Seller has a good faith doubt as to the Buyer's ability to make prompt payment, and if such security is not posted Seller shall have the right to cease performance of its obligations and enforce all applicable remedies.
- E. All rights granted to Seller and all limitations in favor of Seller in the Agreement and by law are cumulative, provided Seller shall be entitled to only a single full recovery.
- F. Seller shall not be liable for any action taken pursuant to a good faith exercise of any of its rights under the Agreement or law.

**15. Consequential, Incidental, and Other Damages.** BUYER AND THIRD PARTIES SHALL NOT BE ENTITLED TO ANY CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR INCIDENTAL DAMAGES, AS DEFINED IN THE UCC OR OTHERWISE. This limitation shall be enforced regardless of whether Seller has defaulted in its warranty or other obligations. Any legal inability to limit or restrict the right of the Buyer or a third party to such damages shall not affect the right of Seller to indemnification hereunder, and under no circumstance shall Buyer recover more than the purchase price.

**16. Security Interest, Power of Attorney.** In addition to any security interest granted by the UCC, the Buyer hereby grants a security interest to the Seller in all Goods and documents related thereto and proceeds and products therefrom to secure all obligations of the Buyer to the Seller, whether or not arising under the Agreement. Buyer shall sign financing statements evidencing the security interest as reasonably requested by Seller, or Seller may file a copy of the Agreement or portion thereof as a financing statement. Buyer grants Seller an irrevocable power of attorney to sign Buyer's name to a financing statement if necessary or convenient to perfect Seller's security interest. Buyer shall provide a landlord's waiver of any lien rights at the premises to which the Goods are to be installed. In case of a default by Buyer, Seller may peaceably enter the premises of the Buyer and others to repossess or render inoperable all Goods in which it has a security interest. In case of a default by Buyer, Buyer hereby irrevocably appoints the Seller as its agent to obtain possession of the Goods and documents related thereto. Buyer shall not sell, exchange, transfer, convey, mortgage, pledge, hypothecate, or grant a security interest in any Goods or the proceeds thereof (including cash, accounts, contract rights, instruments and chattel paper) which are the subject to this Agreement if payment therefor shall not have been made in full to Seller.

**17. Buyer's Property.** Buyer shall insure all materials, fixtures, tooling, and other property delivered to Seller against all risks and waives subrogation in the event of loss of or damage to such property.

**18. Solvency of Buyer.** Buyer represents that it is solvent and able to pay the price for the Goods, and that all financial and business information given to Seller is correct. If Buyer becomes insolvent before delivery of the Goods, it shall notify Seller. Acceptance of delivery shall be a reaffirmation at delivery of Buyer's solvency, and that there has not been a material adverse change in such information.

**19. Proprietary Information.**

- A. Buyer acknowledges that any information disclosed to Seller has not and will not be confidential or a trade secret unless clearly and conspicuously noted on the disclosure, or in some other writing delivered to Seller at or prior to the time of the disclosure.
- B. All proposals, plans, specifications, designs and other information furnished by the Seller or Seller's parent, subsidiary or affiliate companies in bidding, negotiating and performing the Agreement, are confidential and the property of Seller and shall not be shown or disclosed to any other bidder, and shall not be shown or disclosed to any third party or used by Buyer except as may be necessary for the selection or use of the Goods.
- C. Any invention or other information developed by Seller in the performance of the Agreement shall remain the property of Seller. Any patentable features developed by Seller shall be the property of Seller and Seller shall be under no obligation to refrain from using in its business any information, manufacturing processes or unpatented disclosures which may pass to it from the Buyer in the performance of the Agreement, except as provided in subsection A.
- D. Seller is not obligated to furnish detailed or shop working drawings, engineering calculations, computer programs, or other information for any Goods or part thereof unless specifically required by the Agreement.

**20. United States Government Regulations.** The Buyer shall not engage in any transaction with respect to the Goods, by way of resale, lease, shipment or otherwise, which violates any statute or regulation of the United States of America.

**21. Fair Labor Standards Act.** Seller certifies that any Goods produced in the United States shall be produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the U.S. Fair Labor Standards Act, as amended, and of the regulations and orders of the U.S. Department of Labor issued under Section 14 thereof. No other certifications or waivers regarding payments to Seller's suppliers or laborers are required.

**22. Time for Bringing Action.** Any proceeding by the Buyer for breach of the Agreement or any other right against Seller arising from or in connection with the payment cannot be filed nor maintained unless: (i) it is commenced within one (1) year after the cause for action has accrued; (ii) Buyer has given timely written notice to Seller of its claim as provided herein; and (iii) Buyer deposits the unpaid portion of the purchase price with the tribunal pending final adjudication. An action shall accrue no later than shipment of the Goods.

**23. Arbitration.** All controversies and claims arising out of or relating to the Agreement, or the breach thereof, shall be settled solely by arbitration held in Southfield, Michigan, in

accordance with the commercial rules of the American Arbitration Association, except Seller may elect to institute, prior to formation of the arbitration panel, with an action for a claim and delivery or replevin action to enforce its interests in the Goods. Judgment upon any arbitration award may be entered in any court of record having jurisdiction thereof. No demand for arbitration hereunder may be filed by Buyer as a claim or counterclaim if Buyer has not given timely written notice of its claim to Seller or if more than one year has expired from the date of the cause of action accrued, as provided in the Agreement. The arbitrator(s) may enter an interim award that the Goods be returned to Seller for appropriate disposition and the application of any proceeds to amounts owed to Seller. Upon the filing of a demand for arbitration by Seller or Buyer, the Buyer shall deposit with the arbitrator(s) the unpaid balance of the purchase price to be held in an interest bearing account. If such deposit is not made, the arbitrator(s) shall enter a final award against the Buyer in the amount of the unpaid purchase price and other amounts owed by Buyer to Seller under the Agreement. The arbitrator(s) shall be bound by the terms of the Agreement and shall not apply any principles of equity nor allow any claims not permitted by the Agreement. The arbitrator(s) may include the arbitration fees in an award.

**24. Assignment.** No right or interest in the Agreement may be assigned by the Buyer without the prior written consent of the Seller. Any assignment attempted by Buyer shall be void and ineffective for all purposes unless made in conformity with this section. Seller may freely assign all rights and obligations it has under this Agreement and may subcontract performance of any aspect of this Agreement.

**25. Relationship.** The relationship between Buyer and Seller is solely that of a vendor and vendee. Buyer is not an agent of Seller and has no authority to act on behalf of Seller, accept service of process, to create obligations of any kind or bind Seller in any respect.

**26. Conflict.** Typed provisions of the Agreement take precedence over printed provisions.

**27. Samples.** This Agreement covers the Goods provided as samples, whether or not provided without charge, except that they are provided with all faults, and all warranties provided in this Agreement are disclaimed. Samples are provided solely for evaluation by Buyer as examples of the type of Goods available from Seller, and not as a representation that the quality or specifications of Goods which may be supplied under a separate agreement for the sale of Goods will be similar or as high. Samples may not be used in production or final assembly and must be returned upon Seller's request if they are provided without charge.