

**Operating under the following Legal Entities:** 

**Nexteer Automotive Corporation** Nexteer Industria e Comercio de Sistemas Automotivos Ltda. Nexteer Automotive (Suzhou) Co., Ltd. Nexteer Nexteer Lingyun Driveline (Wuhu) Co., Ltd. Nexteer Lingyun Driveline (Zhuozhou) Co., Ltd. Nexteer Automotive Systems (Liuzhou) Co., Ltd. Chongqing Nexteer Steering Systems Co., Ltd. PT. Nexteer Automotive Indonesia Nexteer Automotive Poland sp. z.o.o **Nexteer Automotive Japan LLC** Nexteer Automotive Korea Limited Nexteer Automotive Luxembourg S.à.r.l. Steeringmex S. de R.L. de C.V. Nexteer Automotive Mexico S. de R.L. de C.V. Nexteer Automotive India Private Limited **Nexteer Automotive France SAS Nexteer Automotive Germany GmbH** Nexteer Automotive Italy S.r.l. Nexteer Otomotiv Sanayi ve Ticaret Limited Sirketi Nexteer Automotive Australia Pty Ltd.

# Terms and Conditions of Service

[These Terms and Conditions of Service apply when referenced by Buyer's purchase order or other documentation]

#### TERMS AND CONDITIONS OF SERVICE

AGREEMENT AND ACCEPTANCE. These terms and conditions of service, together with the 1. purchase order, statement of work and any other documents specifically adopted by reference in any such documents, constitute the entire agreement between the parties (collectively, the "Agreement"). This Agreement constitutes the parties' entire contractual agreement and supersedes any previous oral or written representations, including but not limited to Seller's quotations, proposals, acknowledgments or other documents, or any provisions contained in those documents. No course of dealing or usage of trade shall be applicable unless expressly incorporated in this Agreement. The terms of this Agreement may not be varied or modified in any manner, unless in a subsequent writing signed by an authorized representative of Buyer. Any stenographic or clerical errors on the reverse side are subject to correction by Buyer. Seller's written acknowledgment or commencement of service performance, whichever occurs first, shall be deemed an effective mode of acceptance of this Agreement. Any acceptance by Seller is limited to acceptance of the express terms set forth in this Agreement. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this offer is hereby objected to and rejected. Any such proposal shall not operate as a rejection of this offer unless the variances are in the terms of the description, quantity, price or delivery schedule, but shall be deemed a material alteration. Accordingly, this offer shall be deemed accepted by Seller without such additional or different terms. If this Agreement shall be deemed an acceptance of a prior offer by Seller, the acceptance is expressly made conditional on assent to the additional or different terms and such acceptance is limited to the express terms set forth in this Agreement. Additional or different terms or any attempt by Seller to vary in any degree any of the terms of this Agreement shall be deemed material and are objected to and rejected.

2. **EXPRESS WARRANTIES**. With respect to the services provided under this Agreement ("Services"), and all other services provided to Buyer from Seller, Seller expressly warrants that the Services will be performed: (a) with due professional care; (b) in a workmanlike, professional, timely and diligent manner; (c) in accordance with all applicable industry standards and industry best practices; (d) by qualified workers experienced in performing the work specified; (e) in strict conformance with applicable specifications and industry accepted performance criteria; and (f) in strict conformance with this Agreement, including but limited to any statement of work issued by Buyer. These warranties shall survive inspection, test, delivery, acceptance, use and payment by Buyer and shall inure to the benefit of Buyer, its successors, assigns, customers and the users of Buyer's products. These warranties may not be limited or disclaimed by Seller. Buyer's approval of Seller's design, process, drawing, specifications or the like shall not be construed to relieve Seller of the warranties set forth herein, nor shall a waiver by Buyer of any drawing or specification request for one or more articles constitute a waiver of any such requirements for the remaining articles to be delivered hereunder unless so stated by Buyer in writing.

3. <u>PRICE TERMS</u>. The Services will be furnished at the price set forth in the purchase order or such other document that Seller may use to set forth the price. Seller warrants that the price for the Services is no less favorable than those currently extended to any other customer for the same or similar services. Buyer shall also receive the full benefit of all discounts, premiums and other favorable terms of payment customarily offered by Seller to its customers for the same or similar services. In the event Seller reduces its price for the Services, Seller agrees to reduce the prices to Buyer correspondingly. Seller warrants that the prices in this Agreement shall be complete, and no additional charges of any type shall be added without Buyer's express written consent.

4. <u>DELIVERY, TRANSPORTATION AND PAYMENT</u>. Time is of the essence. Delivery of Services must be affected within the time specified in this Agreement. If delivery is not timely made, Buyer may, in addition to its other rights and remedies, direct Seller to perform work on overtime or at hours of its choosing, at Seller's expense.

Upon submission of proper invoices, Buyer shall process for payment. Seller shall present all invoices for Services on a timely basis. All invoices must be received by Buyer no later than ninety (90) days after completion of work. Time is of the essence in this regard. Any invoice received by Buyer later than said ninety (90) days shall be payable at Buyer's sole discretion. In addition to any right of setoff provided by law, all amounts due Seller shall be considered net of indebtedness of Seller to Buyer and its related companies. Buyer may deduct any amounts due or

to become due from Seller to Buyer and its related companies from any sums due or to become due from Buyer to Seller, whether or not such amounts are attributable to this Agreement.

## 5. <u>TERMINATION AND CHANGE</u>.

A. Buyer may terminate this Agreement or any order under this Agreement for cause in the event of any default by Seller. The following are causes, among others, allowing Buyer to terminate this order: (i) late delivery, (ii) delivery of Services that are defective or that do not conform to this Agreement, or (iii) failure upon request to provide Buyer with reasonable assurances of future performance. Additionally, Buyer may forthwith cancel this Agreement in the event of any of the following: (i) insolvency of Seller; (ii) the filing of an involuntary or voluntary petition of bankruptcy against Seller; (iii) the execution by Seller of an assignment for the benefit of creditors; or (iv) the appointment of a receiver over Seller's assets.

B. Buyer reserves the right to terminate this Agreement or any order under this Agreement for its sole convenience, without reason or cause. In the event of such termination, Seller immediately shall stop all work, and shall forthwith cause all of its suppliers and subcontractors to cease work. Upon approval by Buyer, Seller shall be paid a reasonable termination charge consisting solely of a percentage of the order price reflecting the percentage of the work performed prior to the notice of termination. Within 30 days after receipt of a termination notice, Seller shall submit its claim. Buyer reserves the right to verify the claim by auditing all relevant records. Seller shall not be paid for any work performed after receipt of the notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided. In no event shall Buyer be liable for loss of profits or other cancellation charges.

C. Buyer shall have the right to make any changes, additions or alterations in the items, quantities, specifications, drawings, designs or delivery schedules. The parties will undertake to negotiate an appropriate adjustment in price and terms where the Seller's direct costs are materially affected by such changes. Any request by Seller for an adjustment in price or terms must be made within 30 days of any such change. All changes and adjustments, if any, must be in writing and signed by a duly authorized representative of Buyer.

### 6. INSPECTION, ACCEPTANCE, REJECTION.

Buyer may inspect the work during any stage of its construction, preparation, or completion. At Buyer's request, Seller shall submit quality test reports and related data. Notwithstanding payment or prior inspection, if any of the Services are found to be defective in material or workmanship or otherwise not in conformity with the requirements of this Agreement, in addition to any other remedies that it may have, Buyer may correct or have corrected the non-conformity at Seller's expense, at Buyer's sole discretion. Final acceptance shall not be conclusive with respect to latent defects or misrepresentations. Nothing in this Agreement shall relieve Seller from the obligation of testing, inspection and quality control. Work may be rejected for defects or defaults revealed by inspection, analysis or subsequent manufacturing operations even though such items previously may have been accepted at Buyer's sole discretion.

### 7. INDEMNIFICATION AND INSURANCE.

A. To the fullest extent permitted by law, Seller agrees to indemnify, save harmless and defend Buyer and its affiliated companies, their directors, officers, employees, agents and customers ("**Indemnitees**") from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including without limitation all judgments rendered against, and all fines and penalties imposed upon, Indemnitees and all attorney's fees and any other cost of litigation ("**Liabilities**") arising out of a breach hereof, warranty claims, product recall claims, product liability claims, injuries to persons, including death, or damage to property caused by Seller, its employees, agents, subcontractors, or in any way attributable to the performance of Seller, including without limitation, breach of contract, breach of warranty or product liability; provided, however, that Seller's obligation to indemnify Buyer shall not apply to any liabilities solely arising from Buyer's negligence. Seller agrees to

indemnify, save harmless and defend Indemnitees from and against all Liabilities arising out of actual or alleged infringement, including infringement of any patent, trademark or copyright relative to the work performed.

Β. At Seller's own cost, Seller shall procure and maintain policies of insurance with reputable insurers with AM Best Company's or similar which have a financial rating of not less than "A-:VII" or "Excellent" or the equivalent from a reputable rating agency (such as Standard and Poors). The policies of insurance shall be written on an occurrence basis or on a claims made basis in which event insurance shall be maintained during the term of this Agreement. The Seller shall maintain insurance coverage in amounts not less than the following: (a) Worker's Compensation - Statutory Limits for the state or states in which this Agreement is to be performed (or evidence of authority to self-insure); (b) Employer's Liability - \$1,000,000; (c) Comprehensive General Liability (including Products/Completed Operations and Blanket Contractual Liability) - \$1,000,000 per person, \$1,000,000 per occurrence (personal injury) and \$1,000,000 per occurrence (property damage), and (d) Automobile Liability (including owned, non-owned and hired vehicles) - \$1,000,000 per person, \$1,000,000 per occurrence (personal injury) and \$1,000,000 per occurrence (property damage). All insurance shall apply separately to each insured and additional insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability. The Seller's insurance coverage is primary and non-contributory to that of Buyer's. The Seller must cover Buyer, its parent, subsidiaries and affiliates and their respective officers, directors, and employees as additional insureds and listed on the executed Certificate of Insurance. All insurance coverages shall include a waiver of subrogation in favor of Buyer, its parents, subsidiaries and affiliates and their respective officers, directors and employees. Upon the execution and agreement of this document, , Seller shall furnish certificates of insurance setting forth the amounts of coverage, policy numbers and dates of expiration for insurance maintained by Seller. Such certificates shall provide that Buyer will receive 30 days prior written notification from the insurer of any termination or reduction in the amount or scope of coverages. Renewal certificates, as required, shall be forwarded to Buyer until Seller completes the work as specified in this Agreement. Seller's purchase of insurance coverage and the furnishing of certificates of insurance shall not release Seller of its obligations or liabilities under this Agreement. In the event of Seller's breach of this provision, Buyer shall have the right to cancel the unperformed portion of any Services covered by this Agreement and shall not be required to make further payments except for conforming Services rendered prior to cancellation.

### 8. <u>REMEDIES</u>.

Buyer's rights and remedies shall be cumulative and in addition to any other rights or remedies provided by law or equity. A waiver by Buyer of any right or remedy shall not affect any rights or remedies subsequently arising under the same or similar clause. Any attempt by Seller to limit Buyer's warranties, remedies or the amount and types of damages that Buyer may seek shall be null and void.

### 9. BUYER'S PROPERTY AND INFORMATION.

A. <u>Acquisition of Tooling and Materials</u>. To the extent that this Contract covers Buyer's purchase of, or reimbursement to Seller for, any tooling, jigs, dies, gauges, fixtures, molds, patterns, equipment, supplies, materials and other items (collectively, "Tooling and Materials") to be used in connection with Seller's actual or anticipated supply of goods to Buyer, Seller will acquire such Tooling and Materials as agent of Buyer and Buyer shall pay to or reimburse Seller the lower of (i) the amount specified in this Contract for such Tooling and Materials or (ii) Seller's actual out-of-pocket cost to acquire the Tooling or Materials from an unrelated third party or, if the Tooling and Materials are constructed or fabricated by Seller or any affiliate of Seller, the actual direct costs for materials, labor and overhead associated with such construction and fabrication. Seller shall assign to Buyer any contract rights or claims in which Seller has an interest with respect to such Tooling and Materials. Seller shall establish a reasonable accounting system that readily enables the identification of Seller's costs as described above. Buyer or its agents shall have the right to audit and examine all books, records, facilities, work, material, inventories and other items relating to any such Tooling and Materials. Upon Seller's acquisition of such Tooling and Materials, title thereto shall vest immediately in Buyer and such Tooling and Materials shall be held as "Buyer's Property" by Seller in accordance with this Article 17.

B. <u>Bailment of Buyer's Property</u>. All Tooling and Materials which Buyer furnishes, either directly or indirectly, to Seller or which Buyer buys from, or gives reimbursement to, Seller in whole or in part (collectively, "Buyer's Property") will be and remain the property of Buyer and be held by Seller on a bailment basis. Title to all replacement parts, additions, improvements and accessories purchased by Seller will vest in Buyer immediately upon attachment to or incorporation into Buyer's Property. When permitted by law, Seller waives any lien or other rights that Seller might otherwise have on or in any of Buyer's Property for work performed on, or utilizing, such property or otherwise.

C. <u>Seller's Duties with Respect To Buyer's Property</u>. While Buyer's Property is in Seller's possession and until Seller delivers Buyer's Property back to Buyer, Seller bears the risk of loss, theft and damage to Buyer's Property. Seller will be responsible for the cost of repairing or replacing Buyer's Property if it is stolen, damaged or destroyed regardless of cause or fault. Seller will at all times: (a) regularly inspect, maintain in good condition, and repair Buyer's Property at Seller's own expense, (b) use Buyer's Property only for the performance of this Contract, (c) deem Buyer's Property to be personal property, (d) conspicuously mark Buyer's Property as the property of Buyer and maintain such markings, (e) not commingle Buyer's Property with the property of Seller or with that of a third person, (f) not move Buyer's Property from Seller's applicable shipping location (as shown by the shipping address of Seller) without prior written approval from an authorized employee of Buyer, and (g) use Buyer's Property in compliance with Buyer's or the manufacturer's instructions and in compliance with all federal, state and local laws, ordinances and regulations. Buyer will have the right to enter Seller's premises at all reasonable times to inspect Buyer's Property and Seller's records with respect thereto. Seller will not sell, lend, rent, encumber, pledge, lease, transfer or otherwise dispose of Buyer's Property. Furthermore, Seller will not assert, or permit any person claiming an interest through Seller to assert any claims of ownership to or any other interest in Buyer's Property.

D. <u>Return of Buyer's Property</u>. Seller agrees that Buyer has the right, at any time and from time to time, with or without reason and without payment of any kind, to retake possession of or request the return of Buyer's Property. Without further notice or court hearings, which rights, if any, are hereby waived, Buyer or its designee(s) will have the right to enter Seller's premises and take possession of any and all of Buyer's Property. Upon Buyer's request and in accordance with Buyer's instructions, Buyer's Property will be immediately released to Buyer or delivered to Buyer by Seller, either (i) Ex Works (IncoTerms 2010) at Seller's plant properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport such Buyer's Property or (ii) to any location Buyer designates, in which event Buyer will pay Seller the reasonable costs of delivering Buyer's Property to the location Buyer designates. If Seller does not release and deliver any Buyer's Property in accordance with this Article, Buyer may obtain an immediate writ of possession without notice and without the posting of any bond and/or enter Seller's premises, with or without legal process, and take immediate possession of Buyer's Property.

E. <u>Disclaimer of Warranties</u>. Seller acknowledges and agrees that (i) Buyer is not the manufacturer of Buyer's Property nor the manufacturer's agent nor a dealer therein, (ii) Buyer is bailing Buyer's Property to Seller for Seller's benefit, (iii) Seller is satisfied that Buyer's Property is suitable and fit for its purposes, and (iv) BUYER HAS NOT MADE AND DOES NOT MAKE ANY WARRANTY OR REPRESENTATION WHATSOEVER, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS, CONDITION, MERCHANTABILITY, DESIGN OR OPERATION OF BUYER'S PROPERTY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. Buyer will not be liable to Seller for any loss, damage, injury or expense of any kind or nature caused, directly or indirectly, by Buyer's Property, including, without limitation, the use or maintenance thereof, or the repair, service or adjustment thereof, or by any interruption of service or for any loss of business whatsoever or howsoever caused, including, without limitation, any loss of anticipatory damages, profits or any other indirect, special or consequential damages and/or personal injury or death.

F. <u>Use of Buyer's Information</u>. Seller will (i) keep all Buyer's Information (as defined below) confidential and disclose it only to its employees who need to know such Buyer's Information in order for Seller to supply goods and services to Buyer under this Contract and (ii) use the Buyer's Information solely for the purpose of supplying goods and services to Buyer. Goods manufactured based on Buyer's Information may not be used for Seller's own use or sold by Seller to third parties without prior express written consent from an authorized employee of Buyer. "Buyer's Information" means all information provided to Seller by Buyer or its representatives or subcontractors in

connection with the business, programs, goods and services covered by this Contract, including, without limitation, pricing and other terms of this Contract, specifications, data, formulas, compositions, designs, sketches, photographs, samples, prototypes, test vehicles, manufacturing, packaging or shipping methods and processes and computer software and programs (including object code and source code). Buyer's Information also includes any materials or information that contains, or are based on, any of Buyer's Information, whether prepared by Buyer, Seller or any other person.

**10.** <u>LABOR DISPUTES</u>. Seller shall notify Buyer of any actual or potential labor dispute delaying or threatening to delay timely performance of this Agreement. Seller shall notify Buyer in writing six months in advance of the expiration of any current labor contracts.

11. **INGREDIENTS DISCLOSURE.** If Buyer requests, Seller will promptly furnish to Buyer, in such form and detail as Buyer directs: (a) a list of all ingredients in the goods, (b) the amount of all ingredients, and (c) information concerning any changes in or additions to the ingredients. Prior to, and together with, the shipment of the goods, Seller will furnish to Buyer and all carriers sufficient written warning and notice (including appropriate labels on the goods, containers and packing) of any hazardous material that is an ingredient or a part of any of the goods, together with all special handling instructions, safety measures and precautions as may be necessary to comply with applicable law, to inform Buyer and all carriers of any applicable legal requirements and to best allow Buyer and all carriers to prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the goods, containers and packing.

## 12. INFORMATION AND DATA

A. Seller will furnish to Buyer, or another party designated by Buyer, without restrictions on use or disclosure, all information and data Seller acquires or develops in the course of Seller's activities under this Agreement. At Buyer's request, Seller also will discuss with Buyer or another party designated by Buyer, without restrictions on use or disclosure, any potential design, quality or manufacturing problems or any issues experienced by Buyer relative to the services or Buyer's use of the services, including, without limitation, issues involving design, quality, functionality, interface or integration functionality, application or manufacturing.

B. At Buyer's request, Seller will furnish to Buyer all other information and data of Seller which Buyer deems necessary to understand the operation and to maintain the Services delivered under this Agreement, and to understand and apply the information and data of subsection A hereof, with no restrictions on use other than Seller's patent rights.

C. With respect to inventions which Seller conceives or first reduces to practice in the course of Seller's activities under this Agreement, Seller grants to Buyer a permanent, paid-up, nonexclusive, worldwide license, with a right to sublicense others, to make, have made, use, have used said inventions and patents on such inventions.

D. Seller grants to Buyer a permanent, paid-up, nonexclusive, worldwide license, including a license to any operating software incorporated into the Services sold hereunder with a right to grant a sublicense to any of its affiliated companies, to make, have made, use, have used the Services sold hereunder or derivatives thereof under any other patents now or hereafter owned or controlled by Seller which are deemed necessary by Buyer to exercise the license of subsection C in the manufacture, use or sale of products manufactured by or for Buyer or any of its affiliated companies.

E. Seller grants to Buyer, and agrees to grant to any affiliated company designated by Buyer, a nonexclusive license, on reasonable terms and conditions, to make, have made, use, have used and sell under any other patents now or hereafter owned or controlled by Seller which cover any application of the technology embodied in the information or data Seller acquires or develops in the course of Seller's activities under this Agreement.

F. Unless otherwise indicated in writing by Buyer, Seller will use reasonable care to prevent disclosing to others and will use only for the benefit of Buyer, (i) the technical information and data furnished by Buyer or

developed or acquired by Seller in its work under this Agreement, prior development agreement or early sourcing agreement for Services related to or using such technical information or data, and (ii) information relating to any portion of Buyer's business that Seller may acquire in the course of Seller's activities under this Agreement, prior development agreement or early sourcing agreement. This obligation shall continue so long as any agreement related to or using such technical information or data is in effect and for a period of two years thereafter. This obligation will not apply to information that is or becomes publicly known through no fault of Seller. Nevertheless, Seller may disclose the information and data of subsections (F)(i) and (F)(ii) hereof to third parties if this is required for Seller to fulfill its duties under this Agreement and such third parties have agreed to conditions at least as stringent as those contained herein.

G. All technical information and data disclosed heretofore and hereafter by Seller to Buyer in connection with this Agreement are disclosed on a non-confidential basis.

## 13. <u>MISCELLANEOUS</u>.

A. <u>ASSIGNMENT</u>. This Agreement is entered into in reliance upon the Seller's personal performance of the duties imposed. The Seller agrees not to, in whole or in part, assign this Agreement or delegate the performance of its duties without the written consent of Buyer. Any such assignment or delegation without the previous written consent of Buyer, at the option of Buyer, shall effect a cancellation of this Agreement. Any consent by Buyer to an assignment shall not be deemed to waive Buyer's right to recoupment from Seller and/or its assigns for any claim arising out of this transaction.

B. <u>FORCE MAJEURE</u>. Any delay or failure of either party to perform its obligations shall be excused if it is caused by an extraordinary event or occurrence beyond the control of the nonperforming party and without the nonperforming party's fault or negligence, such as acts of God, fires, floods, windstorms, explosions, riots, natural disasters, wars and sabotage. Written notice of such delay, including the anticipated duration of the delay, must be given by the nonperforming party within ten (10) days of the event. During the period of any delay or failure to perform by Seller, Buyer, at its option, may purchase services from other sources and reduce its schedules to Seller by such quantities, without liability to Buyer, or cause Seller to provide the services from other sources in quantities and at times requested by Buyer and at the price set forth in this Agreement. If requested by Buyer, Seller shall, within five (5) days of such request, provide adequate assurance that the delay will not exceed such period of time as Buyer deems appropriate. If the delay lasts more than the time period specified by Buyer, or Seller does not provide adequate assurance that the delay will cease within such time period, Buyer may, among its other remedies, immediately cancel this Agreement without liability.

C. <u>CONFIDENTIALITY</u>. All specifications, drawings, inventions, engineering notices, financial information, technical data, customer or supplier list, and/or equipment supplied by Buyer, or seen by Seller while on Buyer's premises, shall remain its property and shall be held in confidence by Seller. Such information shall not be reproduced, used or disclosed to others by Seller without Buyer's prior written consent, and shall be returned to Buyer upon demand or upon completion by Seller of its obligations under this Agreement. Any information that Seller discloses to Buyer with respect to the Services, design, manufacture, sale, or use of the items covered by this Agreement shall be deemed to have been disclosed as part of the consideration for this Agreement, and Seller shall not assert any claim against Buyer by reason of Buyer's use of such information. Without obtaining the prior written consent of Buyer, Seller shall not advertise or publish the fact that Seller has contracted to furnish Buyer Services, or use any trademarks or trade names of Buyer in Seller's advertising or promotional materials. In the event of Seller's breach of this provision, Buyer shall have the right, among all other remedies, to cancel the undelivered portion of any Services covered by this Agreement and shall not be required to make further payments except for conforming Services rendered prior to cancellation.

D. <u>GOVERNING LAW; DISPUTES</u>. This Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan. All disputes shall be adjudicated exclusively in Michigan State Court (Oakland County) or, if subject matter jurisdiction can be established, in the U.S. District Court for the Eastern District of Michigan.

E. <u>SET-OFF</u>. In addition to any right of set-off provided by law, all amounts due Seller shall be considered net of indebtedness of Seller to Buyer and its affiliated or related companies. Buyer shall have the right to reduce and set-off against amounts payable hereunder any indebtedness or other claim which Buyer, or its affiliated or related companies, may have against Seller, or its affiliated or related companies, under this Agreement or any other agreement between the referenced parties.

F. <u>WAIVER</u>. The failure of Buyer to insist upon the performance of any term or condition of this Agreement, or to exercise any right hereunder, shall not be construed as a waiver of the future performance of any such term or condition or the future exercise of such right.

G. <u>INVENTIONS</u>. If this order involves developmental or research activities, including engineering or design services, all information developed in the course thereof shall be owned by Buyer and be deemed confidential and proprietary property of Buyer whether patented or not and Seller shall cooperate (and cause its employees to cooperate) in executing any documents and taking any other actions necessary or convenient to patent or otherwise perfect or protect for the benefit of Buyer any inventions conceived, developed or reduced to practice in performance of this Agreement

H. <u>TAXES</u>. Unless prohibited by law, the Seller shall pay all federal, state or local tax, transportation tax, or other tax which is required to be imposed upon the items ordered, or by reason of their sale or delivery. All order prices shall be deemed to have included such taxes.

J. <u>RELATIONSHIP OF PARTIES</u>. Seller and Buyer are independent contracting parties and nothing in this Agreement shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.

I. <u>SEVERABILITY</u>. If any term of this Agreement is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this Agreement shall remain in full force and effect.

J. <u>TESTING</u>. Both Buyer and Seller are committed to providing a drug-free workplace. Seller agrees that it shall conduct pre-assignment drug testing of all individuals to be assigned to provide Services under this Agreement, and to thereafter conduct random drug and alcohol testing of individuals providing Services under this Agreement. Consistent with applicable law, Seller shall not assign any individual who has tested positive for drugs or alcohol to provide Services under Agreement. Upon request, Seller shall provide Buyer with evidence of drug testing results or, at Buyer's election, certify to Buyer in writing that all individuals providing Services under this Agreement have tested negative and are subject to random drug testing. Buyer reserves the right to require any individual assigned to provide Services under this Agreement to undergo reasonable suspicion drug and alcohol testing and to require, with Buyer's sole discretion, the immediate removal of any individual suspected of being under the influence of drugs or alcohol.

K. <u>TRAVEL</u>. Buyer will reimburse Seller for reasonable travel and other expenses incurred while performing the obligations required pursuant to this Agreement, according to Buyer's current travel policy in place as of the effective date of the Agreement, copies of which are available upon request. All travelers are expected to exercise discretion and good judgment when incurring business-related expenses, and to work to minimize expenses whenever possible. All travel not deemed necessary is to be avoided. For the avoidance of doubt, the following is a brief summary of Buyer's travel policies:

- 1) The standard class for travel is economy. Business or First Class travel is not authorized.
- 2) Accommodations and services should be of a quality level to permit the conduct of business in an appropriate setting and effective manner. Buyer's policy requires the lowest practical room class.

- 3) The standard car rental class is intermediate. Exceptions are permitted if an intermediate car is not available, other employees/customers/suppliers are involved or an employee has special circumstance that are communicated to Buyer in advance.
- 4) No markups or administrative fees may be charged for travel expenses.
- 5) No travel time charges will be accepted.