

## Purchase Order Terms and Conditions - Allied Finishing, Inc.

All Allied Finishing, Inc. ("Buyer") orders are subject to the following terms and conditions. In these Terms and Conditions, "goods" and "services" refers to the goods or services described in Buyer's order that Buyer is to purchase from the seller named in the order ("Seller"); "order" refers to Buyer's order, including these Terms and Conditions; and "Contract" refers to any contract formed pursuant to the order.

1. **AGREEMENT**--The order is an offer to buy by Buyer, and Buyer rejects any prior offers to sell made by Seller. If the order nevertheless is in legal effect an acceptance of a prior offer by Seller, then Buyer's acceptance is conditional upon Seller's assent to all terms of the order that are additional to or different from the terms of Seller's offer. By signing and returning a copy of the order or by accepting the order electronically or by shipping the goods or performing the services, Seller accepts and agrees and assents to all of the terms contained in the order.
2. **DELIVERY**--Unless Buyer agrees otherwise in writing, Seller will deliver the goods FCA ("free carrier") (Incoterms 2010) at Buyer's facility identified in the order, except that if Buyer's facility and Seller's facility (from which the goods will be shipped) are both located in the United States, then Seller will deliver the goods F.O.B. (Uniform Commercial Code term) Buyer's facility identified on the face of the order, and except that Buyer may at its option take delivery of all or any part of the goods at Seller's facility. Time of delivery or performance is of the essence, and Buyer's stated delivery or performance date and the date for performance of any other obligation of Seller, will not be extended or excused for any reason, including anything that Seller cannot control. Buyer reserves the right to refuse any goods or services and to cancel all or any part hereof if Seller fails to deliver all or any part of any goods or perform all or any part of any services in accordance with the terms specified herein. If Seller's deliveries will not meet agreed schedules, Buyer may require Seller to ship via a more rapid route or carrier in order to expedite such delivery and any difference in cost caused by such change shall be paid by Seller provided, nevertheless, that such right shall be in addition to any other rights and remedies of Buyer. Acceptance of any part of this order shall not bind Buyer to accept future shipments or performance of services, nor deprive it of the right to return goods already accepted and shall not be deemed to be a waiver of Buyer's right to cancel or return all or any part of the goods because of failure to conform to order or by reason of defects, latent or patent, or other breach of warranty, or to make any claim for damages, including manufacturing cost or loss of profits, injury to reputation or other special, consequential and incidental damages incurred by Buyer. Such rights shall be in addition to any other remedies provided hereunder or provided by law or otherwise. Delivery shall not be deemed to be complete until goods have been actually received and accepted by Buyer, notwithstanding delivery to any carrier or until any services have been performed, received and accepted.
3. **PACKING AND SHIPPING**--The goods purchased hereunder must be suitably packed and prepared for shipment to secure the lower transportation rates or appropriately packed and comply with any specific transportation specifications of Buyer, and, in all cases, to comply with carriers' regulations. All charges for packing, crating and transportation are included in the price for the goods set forth herein and will be paid by Seller except as otherwise specifically stated. A packing list shall accompany each box or package shipment, showing the order number specified hereon as well as the item number and a description of the goods. In the event that no such packing list accompanies any shipment, the count or weight or other measure of Buyer shall be final and conclusive. Buyer shall not be obligated to accept any shipments in excess of the ordered quantity and any excess or advance shipments may be returned to Seller at Seller's expense. The destination, order number and requisition number must be clearly and conspicuously indicated on all invoices, bills of lading, packages, cases and shipping tags.
4. **EXPORT REQUIREMENTS, DRAWBACK AND REFUND RIGHTS**--Seller will prepare, maintain and, to the extent that applicable law, regulation or customs authority requires Seller to do so, submit to the applicable customs authorities, all information and documentation that is necessary to comply with the applicable customs and export requirements of each country from which the goods will be exported, and Seller will comply with all other applicable customs requirements. Whenever Buyer requests Seller to do so, Seller will promptly furnish to Buyer copies of that information and documentation. Seller is solely responsible for complying with all technical compliance and country of origin requirements of each country from which the goods are exported. Seller assigns and transfers to Buyer all transferable customs duty and tax drawback or refund rights relating to the goods, including rights developed by substitution and rights that Seller acquires from its suppliers. Seller will promptly inform Buyer of each such right and, upon Buyer's request, will promptly provide to Buyer all documents and information that are required for Buyer to obtain each applicable drawback and refund. Seller at all times will maintain, and will cause each of Seller's suppliers and logistics providers to maintain, at each facility where the goods are manufactured or located, strict security measures that are reasonably calculated to prevent acts of terrorism with respect to the goods.
5. **PRICE AND PAYMENT**--Buyer will not pay any late charges, interest, finance charges, or similar charges. Buyer's payments of the purchase price does not indicate Buyer's acceptance of the goods or services. Unless otherwise specified on the face of the order, all payments will be in U.S. Dollars. Payment terms, including any discount periods, will run from the latest of (a) the scheduled date for delivery or performance; (b) the actual date of delivery of conforming goods or performance of conforming services; (c) the date of Seller's invoice; (d) in the case of capital equipment, completion of Buyer's final inspection and acceptance after installation; and (e) in the case of tooling, approval by Buyer of production pieces produced by the tooling. The original invoice should either be mailed to: Allied Finishing, Inc., PO Box 3728, Grand Rapids, MI 49501 or should be e-mailed to: [accounting@alliedfinishinginc.com](mailto:accounting@alliedfinishinginc.com). Do not do both.

6. PREPAYMENT--If Buyer pays any part of the purchase price of the goods before Seller delivers those goods to Buyer, then (a) title (but not risk of loss) to each item of the goods passes to Buyer upon identification of the item to the Contract; (b) to the extent necessary to protect Buyer's title to the goods, Seller grants Buyer a security interest in the goods to secure Seller's obligation to deliver those goods to Buyer and all of Seller's other present and future obligations to Buyer; and (c) Seller will obtain from each person that holds a security interest in or lien upon the goods a written agreement releasing that security interest or lien or subordinating it to Buyer's interest in the goods.
7. SERVICES--If the order covers services, then (a) Seller is an independent contractor, and neither Seller nor any of Seller's employees or agents will be considered agents or employees of Buyer; and (b) Seller will furnish, at Seller's expense, all labor, materials, equipment, transportation, facilities, and other items that are necessary to perform the services.
8. WARRANTIES--Seller represents, certifies and warrants (a) that the price charged for the goods and/or services purchased pursuant hereto shall be no higher than Seller's current price to any other customer for the same quality or quantity of such goods or services; (b) and that all goods delivered pursuant hereto will be new, unless otherwise specified, and free from defects in material and workmanship and that all goods will conform to applicable samples, specifications, drawings, and standards of quality and performance, and that all goods will be free from defects in design and suitable for their intended purpose; (c) that the goods covered by this order are fit and safe for consumer use, if so intended, and comply with all applicable Federal Mandated Safety Standards; (d) that all services performed pursuant hereto will be free from defects in material and workmanship and will be performed in accordance with the specifications and instructions of Buyer provided nevertheless that Seller shall retain the discretion and control with respect to the manner and means of performing such services and shall at all times remain an independent contractor. Seller further represents, certifies and warrants (i) Seller has all necessary experience, qualifications, expertise, authority, licenses, and permits to enable it to perform its obligations under the Contract; (ii) the Contract is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms and conditions; (iii) Seller is and at the time of each order will be solvent; (iv) Seller has and follows, and will continue to have and follow adequate quality and security procedures that assure that the goods and services will comply with the foregoing warranties, representations, and agreements. All the representations, certifications and warranties of Seller together with its service warranties and guaranties, if any, shall run to Buyer and customers. Seller agrees to indemnify, defend and hold Buyer, its affiliates, and their respective directors, officers, employees and agents (collectively, "Indemnified Persons") harmless from all claims, liability, loss, damage and expense including but not limited to recall expenses, reasonable attorneys' fees and other special, consequential and incidental damages incurred or sustained by such person by reason of any breach of any warranty, certification or representation with respect to the goods and/or services which are covered by this order or the Contract. All goods supplied and services performed pursuant hereto shall be subject to inspection and test by Buyer and its agents and by the United States at all times and places, whether during or after manufacture as to goods, or performance as to services, and notwithstanding the terms of delivery or payment or, as to goods, that title has not passed to Buyer or to the United States. In the event that goods supplied pursuant hereto or services performed hereunder contain defects in material or workmanship or as to services, are not performed in accordance with the specifications and instructions of Buyer, Buyer may require prompt correction thereof or, as to services, require that the services be rendered again at Seller's expense or, as to goods, require that the goods be replaced at Seller's expense. If such defects exist or if Seller is unable or refuses to replace the goods or render the service again promptly, Buyer may by contract or otherwise replace such goods or obtain such services and charge Seller or deduct from amounts owed by Buyer to Seller the cost, expenses and losses including incidental and consequential damages incurred thereby which are in excess of Seller's price for such goods or services. After notification to Seller that goods are defective, all risk of loss with respect to such goods shall be in Seller and Seller shall pay all packing and shipping charges in connection with defective goods returned by Buyer. Buyer's approval of designs furnished by Seller shall not relieve Seller of its obligations herein. The goods covered by this order are intended for the manufacture and sale of the established products of Buyer and its affiliate and in which Buyer and its affiliate have built a substantial and valuable reputation for quality and efficiency and any defect in the goods or services hereunder may occasion special damage to Buyer and its affiliate. All rights and remedies of the Buyer and its affiliate hereunder shall be in addition to any other rights and remedies provided by law.
9. CHANGES--Buyer may at any time by written, telegraphic or email notice, cancel this order or make changes within the general scope of this order, including but not limited to any one or more of the following: (a) drawings, designs, specifications or instructions for goods or services; (b) methods of shipments or packing; (c) quantities of goods or extent of services; (d) delivery schedules; and (e) place of delivery or performance. If any such change increases or decreases the cost of, or the time required for the performance of this order, an equitable adjustment in the price and/or delivery schedule will be made and set forth in a written modification to this order, but under no circumstances shall Buyer be responsible for any raw material purchased by Seller in excess of the quantities released or for the fabrication of parts beyond normal lead times. Any claim for adjustment by Seller under this clause must be made within thirty (30) days from the date of receipt of the written notification of the change.
10. TAXES--Unless Buyer agrees otherwise in writing, Buyer will not be required to pay any excise, sales, use, transfer or other taxes arising because of Buyer's purchase from Seller. Subject to the foregoing, Federal, State or Local taxes which are properly billable to Buyer shall be stated separately in Seller's invoices. All tax exemption certificates will be accepted by Seller.
11. SUBCONTRACTORS--Seller may not delegate or subcontract any of its obligations under the order or the Contract without Buyer's written consent. Upon Seller issuing any work to any subcontractor in accordance with the foregoing, Buyer maintains the right to perform verification on the product at the subcontractor's (seller's) premises. These verifications will be performed at the discretion of the Buyer.

12. WORK ON PREMISES--If Seller's performance of services or delivery or installation of goods involves operations by its employees or subcontractors on Buyer's premises or the premises of a customer of Buyer, then (a) Seller will at all times enforce strict discipline and maintain good order among all persons engaged in the activity on the premises and will cause them to comply with all fire prevention and safety rules and regulations in force at the premises; (b) Seller will keep the premises free from accumulation of waste materials that its employees or subcontractors cause; and (c) upon completion Seller will promptly remove all of Seller's equipment and surplus materials.
13. TOOLING--In the case of any tools, dies, jigs, fixtures, patterns, equipment or other facilities of Buyer or Buyer's customers which may be in possession of Seller in connection with this order, Seller agrees that his responsibility shall be that of a bailee and that he shall indemnify and hold harmless Buyer or Buyer's customers from any loss or damage thereto which is caused by or as a result of any negligence, act or omission on the part of Seller or its agents, employees or others until such time as such facilities are delivered into the possession of Buyer or Buyer's customers. With respect to such facilities, Seller will: (a) make and affix such markings thereon as Buyer may direct; (b) make no change, modification or alteration thereto without Buyer's written consent; (c) make no use thereof except in the production of material ordered by Buyer; (d) maintain the same in good condition excepting ordinary wear and tear. If Seller acquires tools or manufactures them in connection with this order and charges Buyer for the use thereof or a tool service charge in connection therewith, unless otherwise agreed in writing, Buyer may at its option, upon completion or termination of this order, elect to take title to such tools and upon receiving notice of such election Seller will deliver such tools to Buyer upon payment by Buyer to Seller of that portion of the unreimbursed out-of-pocket cost of such tools which was incurred by Seller at its expense.
14. RESPONSIBILITY FOR PROPERTY--Any property of Buyer which in connection with this order is in the possession or control of Seller or Seller's subcontractors, vendors or agents ("Buyer Property") are and will at all times be Buyer's sole and exclusive property and shall be returned to Buyer in the condition in which it was received by Seller, except for ordinary wear and tear and except to the extent that such property has been incorporated into goods delivered hereunder or has been consumed in the production of such goods. Risk of loss with respect to all Buyer Property shall be in Seller.
15. INSURANCE--Seller agrees, if and when requested by Buyer to procure a policy or policies of insurance in form and amounts satisfactory to Buyer including endorsement specifically naming Buyer and/or its affiliate as an insured to cover products liability and completed operations and/or to insure all property of Buyer which is connected with the order and of which Seller has care, custody, control or the right of control against loss or damage resulting from fire (including extended coverage), malicious mischief and vandalism. Satisfactory evidence of such insurance shall be submitted to Buyer within a reasonable period of time after request. Seller shall furnish certificates of insurance prior to start of work on Buyer's or its customer's premises and indemnify the Indemnified Persons against all loss, damage or liability arising hereunder, and work will be performed only in accordance with safety rules and procedures while on the premises.
16. ASSIGNMENTS--The order and Contract may not be assigned by Seller in whole or in part without the prior written consent of Buyer.
17. USE OF DESIGNS, DATA, ETC.--Seller agrees that it will keep confidential the features of any equipment, tools, gauges, patterns, designs, drawings, engineering data or other technical or proprietary information furnished by Buyer or Buyer's customers and use such items only in the production of goods for furnishing of services under this order or other orders from Buyer or Buyer's customers and not otherwise unless Buyer's written consent is first obtained. Upon completion or termination of this order, Seller shall return all such items including copies to Buyer or make such other disposition thereof as may be directed or approved by Buyer.
18. PATENTS AND DATA--Seller shall indemnify and hold harmless the Indemnified Persons and Buyer's customers and users of Buyer's products against liability or suit of any nature, including costs and expenses for infringement of any patent or patent right arising from the manufacture, use or sale of any goods or any part thereof, called for in this order, including but not limited to articles recommended by Seller which are of the manufacture of others, except to the extent that any such liability or suit shall have arisen solely because of Seller's manufacture of articles or original design of the Indemnified Persons or Buyer's customers. Seller agrees to and hereby does grant to Buyer (a) an irrevocable, non-exclusive, perpetual, fully transferable royalty-free license to reproduce, translate, publish, use and dispose of, and to authorize others so to do, any copyrighted or copyrightable material ordered as articles or incorporated in, or supplied as a supplement with, any articles; and (b) the right to reproduce, use and disclose for any purpose all or any part of the reports, drawings, blueprints, data and technical information delivered or specified to be delivered by Seller to Buyer under this order.
19. NOTICE OF LABOR DISPUTE--Whenever any actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, Seller shall immediately give notice thereof, including all relevant information with respect thereto Buyer.
20. COMPLIANCE WITH LAWS; NONDISCRIMINATION--Seller warrants that goods and services furnished hereunder shall be of the highest grade and quality unless otherwise specified and shall meet all standards of the Occupational Safety and Health Act of 1970 (OSHA) and all applicable state and local safety and health requirements. At Buyer's option, any part of the goods or services not complying with the requirements hereof, expressed or implied, may be returned at Seller's risk, and expense including transportation both ways, for prompt correction of defects. Payment by Buyer shall not constitute acceptance or waive any rights of Buyer hereunder. Seller warrants that it shall comply with all applicable Federal, state, and local laws including the Fair Labor Standards Act of 1938, Executive Order 11246 and Title VII of the Civil Rights Act of 1964, including amendments and regulations issued pursuant thereto and this order hereby incorporated by reference all provisions required by said laws and regulations to be included herein.

21. TERMINATION--Buyer may, by written notice to Seller, terminate the whole or any part of this order if:

- i. Seller fails to perform or comply with any provisions of this order or the Contract or so fails to make progress as to endanger performance of this order in accordance with its terms, or
- ii. Seller becomes insolvent or the subject of proceedings under any law relating to bankruptcy or the relief of debtors or admits in writing its inability to pay its debts as they become due.

If this order is so terminated, Buyer may procure or otherwise obtain, upon such terms and in such manner as Buyer may deem appropriate, goods, or services similar to those terminated. Seller, subject to the exceptions set forth below, shall be liable to Buyer for any excess costs of such similar goods or services.

Seller shall transfer title and deliver to Buyer, in the manner and to the extent requested in writing by Buyer at or after termination such complete articles, partially completed articles and materials, parts, tools, dies, patterns, jigs, fixtures, plans, drawings, information and contract rights as Seller has produced or acquired for the performance of the terminated part of this order, and Buyer will pay Seller the contract price for completed articles delivered to and accepted by Buyer as the fair value of the property of Seller so requested and delivered.

Seller shall continue performance of this order to the extent not terminated. Buyer shall have no obligations to Seller in respect of the terminated part of this order except as herein provided. Buyer's rights as set forth herein shall be in addition to Buyer's other rights in case of Seller's default, whether set forth in this order or not.

22. RELEASE OF INFORMATION--Seller agrees not to disclose to third parties any non-public or proprietary information regarding Buyer or its business or customers, including the existence and terms of the order or Contract, or use such information for itself for any purpose other than performing under the Contract, without Buyer's prior written approval.
23. NON-WAIVER OF RIGHTS--The failure of Buyer to insist upon strict performance of any of the terms and conditions in the Contract or to exercise any rights or remedies, shall not be construed as a waiver of its rights to assert any of same or to rely on such terms or conditions at any time thereafter.
24. OTHER TERMS--Seller will not have and waives any security interest in or lien (including any statutory or common law lien) upon any Buyer Property, the goods, or services. Buyer may deduct, recoup and set off any amounts that Buyer at any time owes to Seller under the Contract from and against any damages or other amounts that Seller then owes to Buyer. This applies whether under the Contract or not and whether or not Seller will have assigned to another ("Assignee") its rights to receive amounts that Buyer is required to pay under the Contract. All such rights of an Assignee will be subject to all of the terms of the Contract and to all claims and defenses that Buyer at any time has against Seller, whether arising under the Contract or otherwise. If at any time Buyer has reasonable grounds for insecurity as to Seller's performance, then Seller will provide adequate assurance of due performance within 10 days after Buyer demands the assurance, which will be considered to be a reasonable time. The Contract shall be interpreted in all respects as if any invalid or unenforceable provision were omitted from the Contract. All provisions of the Contract shall be enforced to the full extent permitted by law.
25. GOVERNING LAW AND LANGUAGE--The order and the Contract will be governed by, and interpreted according to, the law of the State of Michigan, U.S.A., excluding the United Nations Convention on Contracts for the International Sale of goods. This agreement will be interpreted in the English language only. Any state or federal court in Kent County, Michigan, may handle any action based upon or arising out of the order or the Contract, and Seller irrevocably consents that the court will have personal jurisdiction over Seller and waives any objection that the court is an inconvenient forum.
26. ENTIRE AGREEMENT--The Contract is intended by the parties as a final expression of their agreement and also is a complete and exclusive statement of the terms thereof, any prior oral or written agreements as to the subject matter notwithstanding. This contract may not be modified or terminated orally or by trade usage or any course of conduct and no modification nor any claimed waiver of any of the provisions hereof shall be binding unless in writing and signed by the party against who such modification or waiver is sought to be enforced.
27. HEADINGS--The heading at the beginning of each numbered section hereof have been inserted for ease of reference only and are not part of this contract.