LC MANUFACTURING, LLC STANDARD TERMS AND CONDITIONS OF SALE

- 1. <u>APPLICABILITY</u>: These Standard Terms and Conditions of Sale (these "<u>Terms</u>") will apply to all sales of goods by LC Manufacturing, LLC ("<u>Seller</u>") to the buyer ("<u>Buyer</u>") identified in, as the case may be, Orders (as defined below) or any quote or invoice provided by Seller. Any additional or different terms and conditions stated in any document provided by Buyer to Seller (including, without limitation, in any purchase order previously or in the future issued by Buyer) are expressly rejected by Seller and will not be part of the agreement between the parties unless accepted in a separate signed writing by Seller's authorized representative.
- 2. ORDERS: Buyer may from time to time order goods by placing orders or issuing purchase orders to Seller (together, "Orders"). Unless otherwise agreed in a writing signed by both parties, these Terms and the prices and quantities in an accepted Order will constitute the entire agreement regarding the sale of the applicable goods. If there are no quantities in an accepted Order, then Seller is only obligated to supply no less than one (1) good pursuant to these terms. All Orders must be signed by the Buyer and are subject to acceptance by Seller and may be rejected by Seller. If Seller rejects an Order, Seller will notify Buyer. If Seller accepts a purchase order, Seller's acceptance will be limited to these Terms. Notwithstanding the foregoing, any prices quoted are based on the current costs of steel or other raw material as of the date of the quote and are based on quantities specified in Buyer's request for quotation or similar solicitation document. In addition, Buyer agrees that any manufacturing costs quoted by Seller are based on the lot size indicated in the quote. Unless otherwise agreed upon in writing Seller, there are no cost or price reductions for volume increase from year to year or otherwise. Regardless of Seller's acceptance of an Order, Seller reserves the right to adjust prices if the cost of raw material increases and Buyer agrees that any surcharges related to steel or other raw materials will be passed through to Buyer according to an agreed upon process.
- 3. <u>CHANGES</u>: Requested changes to existing Orders must be signed by Buyer and will not be effective unless Seller agrees in writing to the changes. Seller will notify Buyer of the acceptance or rejection of a requested change in writing. Buyer acknowledges that changes may require an adjustment to the price and delivery schedule for the goods and Seller will not be required to accept any changes without Buyer's written acknowledgment of any price or delivery schedule adjustments.
- 4. SHIPPING/DELIVERY/TITLE: Delivery dates are estimates only. Any delivery dates stated in a quote are made as of the date of the quote and is subject to change based on the schedules of third party suppliers such as die shops and forge shops. Without limiting the foregoing, any delivery timing set forth in a quote will not begin until an Order is accepted and any specifications (including drawings) have been mutually agreed upon in writing. Unless otherwise agreed in writing, Seller will deliver goods FOB Seller's or Seller's designated supplier's facility (Incoterms 2010) and title and risk of loss will pass to Buyer when the goods are placed in the possession of Buyer's carrier. Unless otherwise agreed, all goods will be shipped in disposable containers and invoiced at Seller's current cost. Any variation in quantities shipped over or under the quantities ordered (not to exceed 10%) will constitute compliance with an Order. Seller will not be liable to Buyer for any failure or delay in performing any of Seller's obligations for accepted Orders if the failure or delay is caused by or results from acts beyond Seller's reasonable control including, without limitation, acts of God, natural disasters, strikes or labor unrest, government actions, civil unrest, or unavailability of raw materials.
- 5. <u>RIGHT OF INSPECTION AND PAYMENT</u>: Buyer will inspect the goods immediately upon receipt and promptly notify Seller of any defects or nonconformities. Unless Buyer provides Seller with written notice stating with specificity the reason the goods do not conform to the requirements of the Order within 30 days after receipt, the goods will be deemed accepted by Buyer and any claims relating to those goods will be waived. Upon acceptance of the goods, Buyer waives the right to revoke acceptance and Buyer must pay

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for the goods, in immediately available U.S. dollars, without setoff or deduction of any kind. Unless otherwise stated in Seller's invoice, payment terms will be net 30 days following shipment of the goods.

- 6. WARRANTY AND DISCLAIMER: Seller warrants to Buyer (and not to any third party) that at the time of delivery to Buyer the goods will conform to any specifications agreed to in writing by Seller and will be free from defects in workmanship (the "Seller Warranty"). THE SELLER WARRANTY IS THE ONLY WARRANTY APPLICABLE TO THE GOODS AND IS IN LIEU OF ALL OTHER EXPRESS, IMPLIED OR STATUTORY WARRANTIES, ALL OF WHICH ARE DISCLAIMED AND EXCLUDED BY SELLER INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MECHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. WITHOUT LIMITING THE FOREGOING, SELLER MAKES NO WARRANTY AND ASSUMES NO LIABILITY FOR THE DESIGN CRITERIA OF THE GOODS OR THE FUNCTIONABILITY OF THE GOODS. ANY MARKINGS PLACED ON GOODS AT THE DIRECTION OF BUYER ARE NOT A WARRANTY BY SELLER THAT THE GOODS CONFORM TO THOSE MARKINGS. No third party, including any employee or agent of Seller, is authorized to make any representation, promise, or warranty concerning the goods and any statements made by those parties are not binding on Seller unless in writing signed by an authorized representative of Seller. Any technical advice furnished by Seller or its employees or agents is for Buyer's convenience only and Seller assumes no obligation or liability for the advice given or the results obtained from that advice.
- 7. <u>LIMITATION OF REMEDIES</u>. Buyer's exclusive remedy against Seller, and Seller's sole obligation for any claims relating to goods sold by Seller, whether for breach of contract, warranty, tort (including negligence), or otherwise, is limited to Seller replacing the applicable goods or, at Seller's option, refunding the purchase price paid by Buyer for the goods IN NO EVENT WILL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LABOR COSTS) ARISING OUT OF, OR IN CONNECTION WITH ANY GOODS SOLD BY SELLER REGARDLESS OF WHETHER THOSE DAMAGES WERE FORESEEABLE OR SELLER WAS ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.
- 8. TERM AND TERMINATION: Unless otherwise agreed by Seller in writing, the term of each Order shall take effect when accepted by Seller and will expire one year after Seller's acceptance of the Order. Therefore, the Order will automatically renew unless either party provides the other party with at-least 60 days prior written notice of non-renewal. Seller may also terminate the Order unless thirty (30) days notice to Buyer if Buyer is in breach of the Order. Buyer may terminate any Order for convenience, in whole or in part, by providing Seller no less than thirty (30) days prior written notice to Seller. If Buyer terminates an Order for any reason, Buyer must also immediately pay (a) all outstanding invoices from Seller (even if not related to the terminated Order); (b) the purchase price of finished goods made or committed to the Order prior to the termination date; (c) the pro-rata purchase price for any good that are work-in-process based on a percentage of completion basis; (d) 100% of Seller's cost of any raw materials acquired, made, or committed to the Order prior to the termination date; and (e) the unamortized cost of any tooling or equipment purchased or developed by Supplier for Buyer that have not been paid in full prior to the termination date.
- 9. <u>GENERAL</u>: These Terms: (a) supersede all prior or contemporaneous oral or written understandings, representations and agreements between the parties; (b) are solely for the benefit of Buyer and Seller and no other third parties; (c) may not be assigned or transferred by Buyer (by operation of law or otherwise) without Seller's prior written consent; and (d) may not be altered without the prior written consent of Seller and Buyer. These Terms and any other agreements between the parties will be governed by and construed in

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accordance with the laws of the State of Michigan, without regard to the choice of law provisions. Buyer agrees that the sole and exclusive jurisdiction for resolving any disputes with Seller will be in the state and federal courts in or having jurisdiction over Wayne County, Michigan. The headings in these Terms are for convenience purposes only and if any portion of these Terms is invalid, the invalidity will not affect the validity of the remainder of these Terms.