

## TERMS AND CONDITIONS

**1. OFFER, ACCEPTANCE, AND MODIFICATIONS** - This purchase order is an offer to Seller by Buyer to enter into the purchase agreement it describes, and upon acceptance shall be the complete and exclusive statement of such agreement. Modifications proposed by Seller are not part of the agreement in the absence of Buyer's written acceptance.

**2. CHANGES** - (a) Buyer at any time, by amendment or other writing signed by it, may change the processing, packing, method of shipping and the place of delivery of the supplies and services. (b) Seller shall not make any changes in the processing, packing, shipping, or place of delivery of the supplies and services without Buyer's written approval.

**3. RELEASES** - Overshipments will not be accepted unless prior written approval is received from Buyer. Federal Acquisition Regulation 52.212-10 applies. The Seller is responsible for delivery of each item quantity as detailed in this agreement. If the Seller delivers and the Buyer receives quantities of any item in excess of the quantity called for, such quantity will be treated as being delivered for the convenience of the Seller. The Buyer may retain such excess quantities up to \$100 value without compensating the Seller, therefore the Seller waives all right, title, or interest therein. Quantities in excess of \$100 will, at the option of the Buyer, either be returned at the Seller's expense or retained and paid for by the Buyer at the purchase order unit price.

**4. PACKING, MARKING, AND SHIPPING** - (a) Seller shall pack and ship the supplies in accordance with the requirements of Buyer and the carrier transporting such supplies. (b) Upon request, Seller shall advise Buyer with regard to packing, marking, routing, and shipping that will enable Buyer to secure the most economical transportation rates. (c) Seller will not charge separately for containers, pallets, packing, marking, or shipping unless Buyer authorizes such charges in writing, in which case Seller shall add such charges to its invoice as a separate item and attach supporting data. (d) Buyer may require shipment of any of the supplies covered by this agreement by a more expeditious method of transportation if Seller fails to meet the shipping requirements of this agreement, and Seller shall bear the cost difference of such transportation, unless such failure is due to an excusable delay. (e) Seller shall be responsible for any loss, damage, or injury which results from, or occurs during, shipment of supplies by Seller's vehicles.

**5. PACKING SLIPS AND BILLS OF LADING** - (a) Seller shall obtain a straight bill of lading from the carrier of these supplies and shall include on each packing slip and bill of lading the number of this purchase order and the location of the destination facility. (b) Seller shall include a numbered master packing slip with each shipment. If less than a truckload is being shipped, the slip shall be included in one of the packages which shall be marked "Packing Slip Inside". In truckload shipments the master packing slip shall be enclosed as detailed above in a package nearest the door.

**6. EXPORT/IMPORT** - For each international shipment, Seller shall include a priced invoice with the master packing slip and upon request shall furnish all other required export/import documents. Export credits and customs drawbacks shall belong to the Buyer or its designee. Upon request, Seller shall furnish in satisfactory form all documents required to obtain export credits and customs drawbacks or to satisfy any other government requirement, including certificates that identify the country of origin of the materials used in these supplies and the value added in each country.

**7. INSPECTION** - Buyer at its option may reject, or retain and correct the supplies that do not meet the requirements of this purchase order. If Buyer elects to correct the supplies, it shall consult with the Seller on the method of correction. Seller shall reimburse Buyer for reasonable expenses resulting from rejection, or correction.

**8. WARRANTY** - Seller warrants that the supplies and services will conform to the applicable drawings and specifications and will be free of defects in design (to the extent that Seller furnished the design), materials, and workmanship, and will be free of rust, corrosion, or contaminants which would adversely affect the appearance or function of the product. Seller shall handle and be responsible for every claim of damage or injury that is based on a breach of the foregoing warranty, or at Buyer's option provide all reasonable assistance to Buyer in Buyer's handling of such claims.

**9. SUBCONTRACTING AND ADVERTISING** - Seller may subcontract for goods or services to be incorporated in the supplies or services of this agreement, but Seller shall not subcontract all of its duties under this agreement without Buyer's prior written approval. Seller shall not refer to Buyer in advertising or public releases without Buyer's written approval.

**10. SALES AND USE TAXES** - (a) Seller must not include sales or use taxes for supplies that will be shipped to, or services that will be furnished in, locations for which Buyer has a direct permit. These locations and the applicable permit numbers are:

STATE	LOCATION	PERMIT NO.
Michigan	All Locations	38-2028231

(b) Seller must include sales or use tax on other supplies and services if Seller is licensed to do so by the tax authorities of the destination. Seller must identify the sales or use tax on Seller's invoice as separate item.

**11. TERMINATION** at option of buyer - (a) Buyer may terminate its purchase obligations hereunder, in whole or in part, at any time, by a written notice of termination to Seller. (b) Upon receipt of the notice of termination, Seller, unless otherwise directed by Buyer, shall (i) terminate promptly all work under this purchase order; (ii) transfer title and deliver to Buyer the finished work, the work in process, and the parts and materials which Seller produced or acquired in accordance with this purchase order and which Seller cannot use in producing goods for itself or for others; (iii) settle all claims by subcontractors for actual costs that are rendered unrecoverable by such termination; and (iv) take actions reasonably necessary to protect property in Seller's possession, in which Buyer has an interest. (c) Upon termination by Buyer under this section, Buyer's obligation to Seller shall be: (i) the purchase order price for all finished work and completed services which conform to the requirements of the purchase order; (ii) Seller's actual cost of the work in process and parts and materials transferred to Buyer in accordance with subsection (b)(ii) hereof; (iii) Seller's actual costs of settling the claims by subcontractors of subsection (b)(iii) hereof; and (iv) Seller's actual cost of carrying out its obligations of subsection (b)(iv) hereof, but Buyer's obligations shall not exceed those Buyer would have had to Seller in the absence of termination. (d) Seller shall to furnish to Buyer, within one month after the date of termination, Seller's termination claim, which shall consist exclusively of the items of Buyer's obligations to Seller that are listed in subsection (c) hereof. Buyer may audit Seller's records, before or subsequent to payment, to verify amounts requested in Seller's termination claim. (e) Buyer shall not be liable to Seller if Buyer terminates its purchase obligations of this agreement because of Seller's default.

**12. APPLICABLE LAW** - This purchase order shall be governed by the law of Buyer's principle place of business, and litigation on contractual causes arising from the purchase order shall be brought only in that jurisdiction.