

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. Scope and Acceptance.

(a) These General Terms and Conditions ("T&Cs") of Purchase apply to all written and oral purchase orders and amendments thereto (collectively referred to as "Order") issued by Douglas Autotech Corp., ("DAC"). All goods and services (whether or not ancillary to a sale of goods) to be provided under an Order are included in the term "Goods". These T&Cs cover the life of program which in some cases is up to 15 years (including service) with the understanding that when a part enters service, pricing will remain the same unless DAC is able to re-negotiate service pricing with its customer(s).

(b) Supplier acknowledges that it (or its authorized representative(s)) has read these T&Cs and agrees that Supplier's acceptance or commencement of any work or service under an Order shall constitute Supplier's acceptance of these T&Cs. All terms and conditions proposed by Supplier that are different from or in addition to an Order are expressly rejected by DAC and shall not become a part of an Order.

(c) The term "Supplier Manual" shall mean the Douglas Autotech Supplier Manual and it is hereby incorporated into and made a part of these T&Cs and Supplier acknowledges that it (or its authorized representative(s)) has read the Supplier Manual and agrees with all terms and conditions included in the Supplier Manual.

2. Delivery.

(a) Except if an Order is identified as a "Blanket" Order, delivery must be upon the date indicated in the Order, or if delivery is A.S.A.P. with a date indicated therewith, delivery must be on or before that date. DAC may, from time to time, change delivery schedules or direct temporary suspension of scheduled shipments. Time is of the essence as to delivery.

(b) If an Order is identified as a "Blanket" Order, the quantities and delivery dates listed are estimated quantities and estimated delivery dates. The purchase of the Goods will be contingent upon the issuance of a written release by DAC identifying the Goods to be purchased and providing delivery directions.

(c) If an Order is identified as a "Blanket" Order, or deliveries are otherwise specified to be in accordance with DAC's written releases, Supplier shall not fabricate or assemble any Goods (or any part of Goods) nor procure any materials, nor ship any Goods except to the extent authorized by a written release or a provision of an Order specifying minimum fabrication and delivery quantities. DAC shall have the right to return over shipments to Supplier at Supplier's expense plus all packing, handling, sorting and transportation charges.

(d) Unless otherwise provided in an Order: (i) All shipping, drayage, demurrage, storage, insurance, packing and related charges shall be prepaid by Supplier; (ii) All Goods shall be suitably packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation costs consistent with the requirements hereof. Packing slips must accompany each shipment. Packaging must comply with the Supplier Manual; (iii) Supplier shall mark each package with DAC's Order number, and where multiple packages comprise a single shipment each package shall be shown on packing slips, bills of lading, and invoices. Supplier shall describe the Goods on the bill of lading or other shipping receipt and route shipments in accordance with instructions issued by DAC, if any; (vi) An invoice bearing the Order number must be forwarded to DAC prior to date payment is due. Delay in receiving invoices or Goods will be considered good cause for withholding payment without losing cash discount privileges; (v) Supplier acknowledges that it has been informed that DAC intends to use the Goods to manufacture products, which DAC is required to deliver to third parties at specified intervals. DAC is relying upon Supplier to timely deliver the products to its customers. In view of the foregoing, if, as a result of any non-conforming or late delivery of the Goods, DAC is unable to meet its contractual or other obligations to its customers, Supplier shall be responsible for any and all costs, expenses, penalties or damages which are imposed or assessed against DAC by said customer or otherwise. In the event that expedited freight is necessary to timely deliver the Goods to DAC, the Supplier shall be responsible for the additional costs of such expedited freight, unless DAC has agreed in writing to pay such costs in advance.

3. Risk of Loss and Title to Goods.

Unless otherwise provided, all shipments are at the risk of the Supplier, regardless of the F.O.B. point and all risk casualty insurance must be provided by the Supplier for the benefit of DAC. Under no condition will the risk of loss be that of DAC. Title to all Goods shall vest in DAC the earlier of the date

of the Order and their identification to the Order. Identification shall occur not later than the date Supplier acquires or begins manufacture of the Goods. Risk of loss shall not be governed by transfer of title.

4. Specification Changes.

(a) DAC reserves the right at any time to make changes in quantities, drawings, specification, packing, shipment, and other terms of an Order. Any difference in price or time for performance resulting from such changes will be equitably adjusted by DAC. Supplier may not substitute materials or change the specifications of the Goods in any way without written authorization from DAC.

(b) When a quote is provided, acceptance of an Order signifies acceptance of the printed specifications provided in the quote. Unless expressly described by dimension and feature on the original quote for the product, Supplier agrees to provide all Goods in conformance with the printed specifications. Any changes by Supplier of sub-suppliers, process, materials or components without the prior written consent of DAC are prohibited. Supplier shall indemnify DAC for all costs, expenses, penalties or damages which are incurred by DAC as a result of such unauthorized changes.

5. Inspection. All Goods shall be received subject to DAC's right of inspection and rejection. Payment for the Goods prior to Inspection shall not constitute an acceptance thereof. Acceptance shall not release Supplier's responsibility for latent defects or nonconformities nor for warranty claims. DAC reserves the right to inspect all incoming, in process, and work in progress materials at the Supplier's site. DAC, at its sole discretion shall have the right to bring its customers to verify these materials and/or sub-processes.

6. Quality

(a) All Goods supplied by Supplier shall conform, in all respects, to the specifications and description of such Goods in the quote and/or Order. Supplier shall establish quality control system(s) to guarantee the quality of all Goods in compliance with the Supplier Manual. Supplier shall participate in DAC's quality programs and comply with all engineering release and validation requirements and procedures, including DAC's Production Part Approval Process ("PPAP").

(b) DAC may request from Supplier documentation to verify the quality of all Goods. Layouts, process capability index ("cpks"), and other information of the Goods shall be provided by Supplier to DAC within twenty-four (24) hours of request. All future layouts shall be done within five (5) working days of such request, at Supplier's expense.

(c) Identification of all material shall comply with the Supplier Manual. Supplier shall include and use AIAG bar coding as required. Packaging should comply with specifications in the Supplier Manual.

(d) Douglas may request small lot runs and modifications of Goods from time to time. These modified Goods will usually be in quantities of less than one hundred (100) and may require additional handwork, machining and forming. The price for these modified Goods shall be negotiated by the parties, but shall not exceed ten (10) times the base price of the Goods.

(e) Supplier shall be responsible for providing all tooling in accordance with the schedules set forth in the PPAP for launches. Time is of the essence. Supplier acknowledges that if it fails to provide tooling for launches in accordance with the PPAP, DAC may be subject to substantial damage for overtime, lost production, lost profits, lost reputation and good will, and other causes which are extremely difficult and perhaps impossible to prove with complete accuracy. DAC and Supplier wish to avoid expensive, time consuming and uncertain litigation over the issues of liability and damages. Thus, Supplier agrees to pay to DAC, as liquidated damages, and not as a penalty, a sum not to exceed \$100 for each full or partial day delay from the scheduled delivery date for all tooling and fixtures of \$50,000 or less and the sum of \$1,000 per full or partial day for all other tooling, fixtures or untimely deliveries in the PPAP from the scheduled delivery date until the day all such items are delivered to DAC. Supplier agrees to provide DAC and any other entity set forth on an Order with bi-weekly time lines for any required tooling and fixtures.

(f) Supplier agrees to pay all PPAP charges unless otherwise agreed in writing by DAC.

(g) The use of sub-suppliers by Supplier is prohibited unless expressly authorized by DAC in writing.

7. DAC Confidential Information. Supplier shall keep confidential any technical, process or economic information of DAC and any information derived from the drawings, specification and other data furnished by DAC in connection with an Order and shall not divulge, directly or indirectly, such information without obtaining DAC's prior written consent. Upon completion or termination of an Order, Vendor shall promptly return to DAC, at Supplier's sole cost, all materials incorporating any such information and any copies thereof, except for one record copy which Supplier can keep under the obligations hereof.

8. Patents, Trademarks and Copyrights. Supplier shall defend and indemnify DAC, its successors, assigns, customers and users of its products, against all suits at law or in equity and from all damages, claims and demands for actual or alleged infringement of any domestic or foreign patent, copyright or other property right by reason of the use or sale of the Goods or the incorporation of the Goods into any end products. If the use or sale of the Goods are enjoined, Supplier shall, at its own expense and its option, either: procure the right to continue using the Goods, or replace same with non-infringing equivalent; or remove the Goods and refund the purchase price and the transportation and installation costs thereof. Supplier grants to DAC and its subsidiaries and affiliates an irrevocable, royalty free license to repair, rebuild and relocate and to have repaired, rebuilt and relocated the Goods. Supplier further grants to DAC, its subsidiaries and affiliates an irrevocable, paid-up worldwide license under each copyright of Supplier that is applicable to any intellectual property whatsoever furnished to DAC in connection with the Goods. In the event Supplier invents or develops a patentable product or process while they are performing services or developing parts for DAC, the patentable product and/or process becomes the property of DAC, or at a minimum, DAC is given a royalty-free perpetual license for the use of those developments.

9. Supplier Warranties. Supplier expressly warrants and guarantees to DAC, DAC's successors, assigns and customers, and the users of DAC's products as follows:

(a) The goods produced and services performed by Supplier will, during the Warranty Period (as defined below), conform to the specifications, standards, drawings, instructions, approved or adopted by DAC;

(b) DAC shall receive title to all goods that is free and clear of any liens, encumbrances and any actual or claimed patent, copyright or trademark infringement claim relating to the processing by Supplier and the parties expressly agree that Supplier shall hold all goods provided to it by or for the benefit of DAC, as bailee for DAC, and the parties agree that title to the goods shall at all times remain with DAC;

(c) All goods will, during the Warranty Period, be adequately contained, packaged, marked and labeled;

(d) All services performed by Supplier will, during the Warranty Period, be performed in compliance with all applicable federal, state and local laws, regulations or orders, and agency or association standards or other standards applicable to the processing, manufacture, labeling, transporting, licensing, approval or certification, including by way of illustration and not by way of limitation, the Occupational Health and Safety Act, the Fair Labor Standards Act, and any law or order pertaining to discrimination including any regulations in force in countries where the Goods or DAC customer's vehicles equipped with the Goods are to be sold;

(e) All services performed by Supplier shall be performed in a competent, workmanlike manner and in accordance with industry standards;

(f) Supplier will indemnify and hold DAC harmless in respect of the cost of recall campaigns and other corrective service actions that, in DAC's judgment, are required to rectify non-conformities in the Goods that are the result of a breach of the foregoing warranty, whether such recall campaigns are mandated by any governmental entity, by any customer of DAC, or by DAC itself, except to the limited extent that any recall campaign is required solely as a result of the fault of DAC. Supplier hereby expressly waives the application of the doctrine of comparative negligence for recall and for all other purposes;

(g) "Warranty Period" means the time period extending for twelve (12) months beyond the expiration of any warranty or indemnification provided by or required to be provided by DAC to DAC's customers or any other party related to the Goods or for components that may be impacted by the Goods. Furthermore, Supplier agrees to waive and extend the expiration of the Warranty Period in the event there are failures or defects discovered after the Warranty Period of a significant nature or in a significant portion of the Goods, or a defect is discovered which, in DAC's sole opinion, constitutes a threat of damage to property or to the health and safety of any person;

(h) Supplier represents and warrants that the prices for the Goods will be no less favorable than those which Supplier presently, or in the future, offers to any other customer for the same or similar goods or services for similar quantities. If Supplier offers a lower price for the same or similar goods to any other customer, Supplier shall immediately offer DAC the same price for the goods on the same terms and conditions as was offered to the other customer.

These warranties shall survive inspection, test, delivery, acceptance, use and payment by DAC and shall inure to the benefit of DAC, its successors, assigns, customers and the users of DAC's products.

10. Defense, Indemnity and Insurance. Supplier acknowledges and agrees as follows:

(a) To the fullest extent permitted by law, Supplier agrees to indemnify, hold harmless and defend DAC 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 attorneys' fees and any other costs of litigation ("Liabilities") that are related in any way to Supplier's performance or obligations under these T&Cs or any order, including but not limited to claims arising out of a breach hereof or thereof, warranty claims, intellectual property claims, product recall claims, product liability claims, injuries to persons, including death, or damage to property. Supplier's obligation to defend and indemnify under this section will apply regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability or otherwise except to the extent for claims that arise as a result of the gross negligence or willful misconduct of DAC. Supplier agrees to indemnify, hold harmless and defend Indemnitees from and against all Liabilities arising out of actual or alleged infringement related in any way to the goods or service provided.

(b) If Supplier provides services to DAC on DAC's premises, Supplier will examine the premises to determine whether they are safe for such services and will advise DAC promptly of any situation it deems to be unsafe. Supplier employees, contractors and agents will not possess, use, sell or transfer illegal drugs, medically unauthorized drugs or controlled substances, or unauthorized alcohol, and will not be under the influence of alcohol or drugs on DAC's premises. Supplier shall be exclusively responsible for, and shall bear and relieve DAC from liability for all loss, expense, damage or claims resulting from bodily injury, sickness or disease, including death at any time resulting therefrom, sustained by any person or persons, or on account of damage to or destruction of property, including that of DAC, arising out of, or in connection with the performance of work on DAC's premises except that Supplier shall not be responsible for claims arising from the sole negligence of Douglas.

(c) Supplier shall maintain insurance coverage in amounts not less than the following:

- (i) Workers' Compensation statutory limits for the state or states in which the Order is to be performed (or evidence of authority to self-insure) and Employers Liability insurance for not less than \$1 million;
- (ii) Comprehensive General Liability (including Products / Completed Operations and Blanket Contractual Liability) for not less than \$2 million combined single limit per occurrence;
- (iii) Automobile Liability insurance covering all owned, non-owned and hired vehicles with limits for not less than \$2 million combined single limit per occurrence; and
- (iv) Such other liability insurance as may be required by the specific nature of the Order.

Supplier shall furnish certificates of insurance setting forth the amounts of coverage, policy numbers and dates of expiration for insurance maintained by Supplier within ten (10) days of DAC's written request. The above insurance policies of Supplier shall be primary to any self-insurance or insurance policies carried by DAC. In addition, Supplier shall name DAC as additional insured on its Comprehensive General Liability and Automobile and Umbrella policy(ies). Such certificates shall provide that DAC will receive thirty (30) days prior written notification from the insurer of any termination or reduction in the amount or scope of coverages. Supplier purchase of insurance coverage and the furnishing of certificates of insurance shall not release any of Supplier's obligations or liabilities. In the event of Supplier's breach of this provision, DAC shall have the right to cancel the undelivered portion of any goods or services and shall not be required to make further payments except for conforming goods or services delivered prior to cancellation.

11. Termination for Convenience. DAC may terminate an Order at any time without cause, in whole or in part, by written notice, whereupon Supplier will stop work on the date and to the extent specified in such notice and terminate all orders and subcontracts that relate to the terminated Order. Within thirty (30) days after receipt of such termination notice, Supplier shall submit all claims resulting from such termination. DAC shall have the right to verify such claims by auditing the relevant records, facilities, work or materials of Supplier and/or its subcontractors. DAC will pay Supplier for finished work accepted by DAC as well as for the documented costs to Supplier of work in process and raw materials allocable to the terminated work, which is not in excess of any prior DAC authorization. DAC shall not be responsible for obsolescence claims in the event the Supplier has built over requirements unless Supplier submits documented proof that DAC requested product beyond end-of-program date. Payment made under this section will constitute DAC's only liability for termination hereunder with title and right to possession to all delivered goods and services vesting in DAC immediately upon DAC's

tender of such payment. This section does not apply to any cancellation by DAC for default by Supplier or for any other cause recognized by law or specified by an Order.

12. Default and Remedies. (a) If Supplier (i) fails to deliver the Goods at the time specified herein or (ii) fails to perform any other provisions hereof and does not cure such failure within a period of ten (10) days after receipt of written notice from DAC specifying such failure, or (iii) becomes insolvent, makes an assignment in favor of creditors or enters bankruptcy or dissolution procedure, or (iv) is merged into another Company, DAC may cancel the whole or any part of an Order without any liability except for payment due for Goods delivered and accepted. Upon such termination, DAC will have the right, and on notice to Supplier, to take title to and take possession of all Goods provided by Supplier under an Order.

(b) If any of the Goods ordered are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements of an Order, DAC, in addition to such other rights, remedies and choices as it may have under an Order or by law, at its option and sole discretion may: (i) reject and return such Goods at Supplier expense; (ii) require Supplier to inspect the Goods and remove and replace nonconforming Goods with Goods that conform to the Order. If DAC elects option (ii) above and Supplier fails to promptly make the necessary inspection, removal and replacement, DAC may at its option and at Supplier cost, inspect and sort the Goods.

(c) DAC's remedies herein provided shall be cumulative and additional to any other or further remedies provided to buyers in law or equity, including without limitation the right to recover indirect, incidental, consequential and other damages (including without limitation lost profits) resulting from a breach of Supplier. No waiver of a breach by DAC shall constitute a waiver of any other breach, or of the breached provision itself.

(d) In the event that Supplier provides non-conforming material, DAC reserves the right to obtain conforming material from an alternative source.

13. Tools/DAC-Owned Property. The right, title and interest to all supplies, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, designs, drawings, specifications, spare parts, trial parts, ancillary products, items owned by DAC or its customers and other items furnished by DAC to Supplier for use in manufacturing the Goods, or for which Supplier is reimbursed in whole or in part by DAC (collectively, "DAC Property"), shall be and remain the property of DAC and shall be held by Supplier in trust, as bailee, for the benefit of DAC. Supplier shall bear the risk of loss of and damage to the DAC Property. Supplier will (a) properly house and maintain the DAC Property on Supplier's premises; (b) not use the DAC Property for any purpose other than for performance under an Order; (c) prominently mark the DAC Property as property of DAC; (d) refrain from commingling the DAC Property with the property of Supplier or with that of a third party; (e) adequately insure the DAC Property against loss or damage, including but not limited to maintaining full fire and extended coverage insurance for replacement value and naming DAC as an additional insured; (f) ensure that the DAC Property do not become subject to any liens or other claims; and (g) not move the DAC Property to another location whether owned by Supplier or a third party, without the prior written consent of DAC, except in the case of an emergency, Supplier may move the DAC Property provided that it gives DAC notice that the DAC Property have been moved and the location of the DAC Property as soon as practicable. DAC will have the right to enter Supplier premises at reasonable times to inspect the DAC Property and Supplier's records pertaining thereto. Supplier expressly waives and releases any and all statutory, equitable or other liens, including but not limited to any molders liens, special tool liens, builder liens and the like, that Supplier has or might have on or in connection with the DAC Property for any and all work, including but not limited to, designing, manufacturing, improving, maintaining, servicing, using, assembling, fabricating or developing the DAC Property. Supplier hereby agrees to indemnify, defend and hold DAC harmless from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including without limitation all attorneys' fees and any other cost of litigation that are in any way related to the DAC Property. Supplier will assign to DAC any claims Supplier has against third parties with respect to the DAC Property. Upon written request, Supplier, at its expense, shall immediately deliver the DAC Property at DAC's option F.O.B. Carrier Supplier's facility (Ex Works Loaded) or F.O.B. DAC's premises (CIF DAC Plant/Delivered DAC Plant), properly packed and marked in accordance with the requirements of the carrier and DAC. Supplier will cooperate fully with DAC's removal of the DAC Property from Supplier premises. Supplier shall assume all risk of death or injury to persons or damage to property arising from use of the DAC Property. Unless otherwise agreed to in writing by DAC, Supplier shall keep the DAC Property in good condition and

repair, including repair necessitated by wear and tear and other usage by Supplier. In the event that it becomes necessary, as determined by either DAC or Supplier, to replace any of the DAC Property due to normal use by Supplier, or otherwise, said replacement tools shall be at the sole expense of Supplier and said replacement tools shall remain the property of DAC. DAC does not guarantee the accuracy of any DAC Property or the availability or suitability of any supplies or material furnished by it. Supplier assumes sole responsibility for inspecting, testing and approving all DAC Property or other materials supplied by DAC prior to any use by Supplier. Supplier shall assume all risk of death or injury to persons or damage to property arising from use of the tools or other materials supplied by DAC and hereby agrees to indemnify DAC against the same.

15. Compliance With Laws. (a) Supplier shall provide appropriate installation, operation and maintenance manuals, in English, covering the Goods to DAC. Supplier shall also provide DAC with any Material Safety Data Sheets, any specific warnings or instructions regarding the safe installation, operation and maintenance of the Goods and, upon request, a list of all materials in the Goods.

(b) Supplier shall comply with any relevant provision dealing with Equal Employment Opportunity, Employment of Veterans, Employment of the Handicapped, Employment Discrimination Because of Age, Utilization of Disadvantaged Business Enterprises, and the related Acts and Executive Orders as now or hereafter amended or codified.

(c) Supplier warrants that it is in compliance with the requirements for non-segregated facilities set forth in 41 CFR Chapter 60 1.8 and is an equal opportunity employer.

(d) Supplier warrants that each chemical substance constituting or contained in the Goods sold is on the list of chemical substance compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et. seq.) as amended.

(e) Supplier warrants that the Goods shall be in compliance with applicable sections of the Federal Consumer Product Safety Act (15 U.S.C. Sec. 2051 et. seq.) as amended, and the Federal Hazardous Substances Act (15 U.S.C. 1261et. seq.) as amended, and lawful standards and regulations hereunder.

(f) Supplier warrants that the Goods shall be produced in compliance with requirements of the Fair Labor Standards Act of 1986, as amended, including Section 12(a). And all invoices must carry the following certificate in order to be passed for payment: "Supplier represents that with respect to the production of the articles and/or the performance of the services covered by this invoice, it has complied with the Fair Labor Standards Act of 1986 as amended."

(g) Supplier shall comply with all applicable industry, federal state or local laws, rules, regulations or ordinances and standards as to the Goods and otherwise in the performance of the Order.

(h) Anti-Fraud Obligations. Supplier shall, and shall cause its subsidiaries and affiliates to institute, operate, and maintain effective compliance programs/policies to detect, correct and prevent incidences of fraud, wastes and abuses relating to the Goods. Such compliance programs/policies shall include: (a) written policies, procedures and standards of conduct articulating the Supplier and its subsidiaries' and affiliates' commitment to comply with Federal and State laws relating to fraud prevention; and (b) for all officers, directors, employees, contractors and agents of Supplier or its subsidiaries and affiliates, required participation in effective compliance and anti-fraud training and education.

(i) Compliance with Anti-Money Laundering Laws. The operations of the Supplier and its subsidiaries and affiliates are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where Supplier or any of its subsidiaries and affiliates conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving Supplier or any of its subsidiaries or affiliates with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of Supplier, threatened.

(j) Foreign Corrupt Practices Act. Neither Supplier nor any person acting on behalf of Supplier has, directly or indirectly, given or agreed to give any money, gift or similar benefit to any

customer, supplier, employee or agent of a customer or supplier, or official or employee of any governmental agency or instrumentality of any government (domestic or foreign) or any political party or candidate for office (domestic or foreign) or other person who was, is, or may be in a position to help or hinder the business of Supplier (or assist it in connection with any actual or proposed transaction) that (i) might subject Supplier to any damage or penalty in any civil, criminal or governmental litigation or proceeding, (ii) if not given in the past, might have had a material adverse effect, or (iii) if not continued in the future, might adversely affect the assets, business or operations of Supplier. Supplier has taken all reasonable steps to ensure that its accounting controls and procedures are sufficient to cause Supplier to comply in all material respects with the Foreign Corrupt Practices Act of 1977, as amended.

(k) Child Labor and Human Trafficking. Supplier represents and warrants that Supplier, its subsidiaries, affiliates, subcontractors and downstream manufacturers comply with applicable labor and employment laws regarding, and prohibit, any form of child labor or other exploitation of children in the manufacturing and delivery of the Goods, consistent with provisions of the International Labor Organization's Minimum Age Convention (No. 138), 1973. In addition, in connection with any International Organization for Standardization certification, Supplier represents and warrants that it complies with a Social Accountability Guideline pursuant to which Supplier disqualifies any manufacturing site that uses unacceptable manufacturing practices, such as child labor, forced labor or unsafe or unsanitary working conditions or trafficking in persons as defined by the Trafficking Protocol (United Nations General Assembly, Protocol to Prevent Suppress and Punish Trafficking in Persons). Supplier represents and warrants to that it undertakes periodic inspections of any subcontractor and manufacturer involved in the provision of Goods hereunder to ensure compliance with the foregoing.

(l) Not Listed as an Excluded Party by U.S. General Services Administration. Supplier represents and warrants that it is not debarred, suspended, excluded, or disqualified from doing business with the United States Government, or listed as the Excluded Parties List System maintained by the General Services Administration of the United States Government (found at www.epls.gov).

(m) No Investigations/Convictions by Government Authorities. Supplier represents and warrants that it is not under investigation by any governmental authority for, nor has it been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities, any crimes which in the United States would be predicate crimes to money laundering, or any violation of any Anti-Money Laundering Laws, (ii) has not been assessed civil or criminal penalties under any Anti-Money Laundering Laws, and (iii) it has not had any of its funds seized or forfeited in any action under any Anti-Money Laundering Laws.

(n) No Violation of Domestic or Foreign Anti-Corruption Laws. Supplier represents and warrants that it is in compliance with all applicable domestic or foreign Anti-Corruption Laws, including those prohibiting the bribery of government officials, and will remain in compliance with all applicable Laws; that it will not authorize, offer or make payments directly or indirectly to any government official; and that no part of the payments received by it (whether compensation or otherwise) from DAC will be used for any purpose that could constitute a violation of any applicable law.

(o) No Violation of Sanctions. Supplier represents and warrants that neither it nor any of its representatives or subcontractors is the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the United Nations Security Council (UNSC), the European Union (EU), Her Majesty's Treasury (HMT), or other relevant sanctions authority (collectively, "Sanctions"), nor is Seller, or any of its representatives or subcontractors located, organized or resident in a country or territory that is the subject of Sanctions. Supplier represents and warrants that neither it nor any of its representatives or subcontractors has violated any Sanctions. Supplier represents and warrants that neither it nor any of its representatives or subcontractors will use any funds received by or on behalf of DAC to fund or engage in any activities with any person or in any country or territory, that, at the time of such funding or activity, is the subject of Sanctions, or in any other manner that will result in a violation by any person of any Sanctions.

16. **Non-Assignment.** Assignment of an Order or any interest herein or any payment due or to become due hereunder, without the written consent of the DAC, shall be void.

17. **Set-Off**. DAC shall be entitled at all times to set off any amount owing at any time from Supplier to DAC or any of its affiliated companies against any amount payable at any time by DAC in connection with an Order.

18. **Foreign Purchases**. The following applies to all transactions involving imported Goods:

(a) Supplier warrants that all sales made hereunder are or will be made at not less than fair value and the United States Anti-Dumping Law (19 U.S.C. Sec. 160 et. seq.) and Supplier will indemnify, defend and hold DAC harmless from and against any costs or expenses (including but not limited to any anti-dumping duties which may be imposed) arising out of or in connection with any breach of this warranty.

(b) Supplier agrees that DAC will not be a party to the importation of the Goods, that the transaction(s) represented by an Order will be consummated subsequent to importation, and that Supplier will neither cause nor permit DAC's name to be shown as "Importer of Record" on any customs declaration.

(c) Upon request and where applicable, Supplier shall provide DAC Customs Form 7543 entitled "Certificate of Delivery" properly executed. Upon request, Supplier shall furnish properly completed in accordance with government regulations applicable thereto. Unless otherwise stated herein, all customs drawback will be credited to DAC.

(d) Upon request, Supplier shall furnish promptly certificates of local value added in accordance with government regulations pertaining thereto.

19. **Payment Terms**. DAC payment terms are net 20th prox. If product is received before 15th of the month, payment will be made on 20th day of the following month. Any Goods received after the 15th day of the month will be paid on the 20th of the month "after" the next month.

20. **Entire Agreement**. The Order and these T&Cs and the Supplier Manual are intended by the parties as a complete and exclusive statement of the terms. It supersedes all prior agreements, written or oral. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in the Order. All modifications must be in writing.

21. **Verification at Supplier Premises**. A representative of DAC, a representative of DAC's customer, or both, shall be afforded the right to verify at the Supplier premises that product conforms to specified requirements.

22. **Conflicts**. In the event of a conflict between an Order and the Supplier Manual, Supplier will maintain and comply with the Supplier Manual.

23. **Jurisdiction**. These T&Cs are to be construed and enforced under the laws of the State of Michigan, without reference to its conflict of laws principles.