



LUCERNE INTERNATIONAL, INC. PURCHASE ORDER TERMS AND CONDITIONS

- 1. Offer and Acceptance.** This Order is an offer to the supplier named in this Order (the "Supplier") from Lucerne International, Inc. (the "Purchaser") to purchase from Supplier, the goods and/or services referenced in this Order exclusively under these Terms and Conditions. This Order shall be deemed accepted by Supplier upon Supplier's commencement of performance, shipment of goods or failure to deliver written notice of rejection to Purchaser within ten (10) days of receipt of this Order. Acceptance of Purchaser's offer is expressly limited to and made conditional on Supplier's acceptance of all of the terms and conditions set forth in this Order. Purchaser expressly rejects and shall not be bound by any provision, printed or otherwise, at variance or in addition to the terms of this Order that may appear on any quotation, acknowledgement or other form used by Supplier. Upon acceptance by Supplier, this Order will become a binding contract between Purchaser and Supplier (the "Contract"). Supplier acknowledges and agrees that this Order, these Terms and Conditions, and all other documents, policies, guidelines, manuals, specifications and requirements referenced in the Contract or otherwise communicated by Purchaser to Supplier during the term of the Contract, in each case as amended or revised from time to time, are incorporated in, and a part of, the Contract. Where Supplier and Purchaser have executed a separate manufacturing, supply or similar agreement with respect to any goods and/or services under any Order, such separately executed agreement shall be deemed to be incorporated in, and a part of, the Order and the Contract.
- 2. Price and Payment.** Purchaser shall not be invoiced at a price(s) higher than prices shown on the face of this Order (the "Price"). Payment will be made in accordance with the payment terms stated on the face of this Order. No surcharges, premiums or other additional charges of any kind may be imposed upon Purchaser unless expressly agreed to in writing by an authorized representative of Purchaser. Supplier expressly assumes the risk of any event or cause (whether or not foreseen) affecting the prices stated in the Contract, including, without limitation, any foreign exchange rate changes, increases in raw materials costs, inflation, increases in labor and other manufacturing costs, and/or fluctuations in volume. Supplier warrants that the price charged to Purchaser for goods or services is not less favorable than the price currently extended to any other customer for the same or similar goods or services in similar quantities or specifications. Supplier shall ensure that the price charged to Purchaser for goods and service is and remains competitive with the price for similar goods and services available to Purchaser from other suppliers.
- 3. Taxes and Charges.** Unless otherwise stated on the face of this Order, the Price is deemed to include (a) all applicable government taxes, charges and assessments of any kind and (b) the charges for insurance, import duties, packaging, transportations and any other fee or expense relating to the provision of the goods or services ordered. Supplier shall cooperate with Purchaser in obtaining and furnishing certificates or other evidence of inapplicability of or exemption from any sales, use, excise or other taxes to which Purchaser may be entitled.
- 4. Invoices.** No invoices shall be issued prior to delivery of goods or provision of services. Supplier shall comply with Purchaser's instructions and then current policies with respect to the form, content and method for submission of all invoices before any payment will be made by Purchaser. Without limiting the generality of the foregoing, all invoices for goods shipped pursuant to the Contract must reference the Order number, amendment or release number, Purchaser's part number, Supplier's part number where applicable, quantity of pieces in shipment, number of cartons or containers, Supplier's name and number, and bill of lading number. Purchaser reserves the right to return all invoices or related documents submitted incorrectly, and payment terms will be determined as of the date of the latest correct invoice received by Purchaser.
- 5. Customer Terms.** Supplier acknowledges that goods and services covered by the Contract may be sold, or incorporated into goods or services that will be sold, by Purchaser to an original equipment manufacturer, whether directly or indirectly through an upper tier supplier, or any other third party customer (collectively, "Customer"). Accordingly, Supplier shall take such steps, provide such disclosure, comply with such requirements and do all other things as Purchaser deems necessary or desirable and within Supplier's control to enable Purchaser to meet Purchaser's obligations under the terms and conditions of any contract or purchase order or other document that may be applicable to Purchaser from time to time in respect of its direct or indirect supply of such goods or services to the Customer.
- 6. Volume Projections.** Supplier acknowledges that any estimates, forecasts or projections of future anticipated volume or quantity requirements for goods or services provided by Purchaser are provided for informational purposes only and, like any other forward looking projections, are based on a number of economic and business factors, variables and assumptions, some or all of which may change over time. Purchaser makes no representation, warranty, guaranty or commitment of any kind or nature, express or implied, regarding any such estimates, forecasts or projections provided to Supplier, including with respect to the accuracy or completeness of any such estimates, forecasts or projections.
- 7. Delivery.** Deliveries will be made in the quantities, on the dates, and at the times specified by Purchaser in the Contract or any subsequent releases or instructions issued by Purchaser under the Contract. Time and quantity are of the essence with respect to all delivery schedules Purchaser establishes. Goods that exceed the quantities specified in Purchaser's delivery schedules or that are delivered after the required delivery date or prior to ten (10) days in advance of the required delivery shall, at Purchaser's option, not be required to be accepted by Purchaser and shall be returnable to Supplier at Supplier's sole risk and expense. Title and (except as otherwise provided herein) risk of loss or damage to the goods shall pass to Purchaser when the goods are delivered to Purchaser's address specified on the face of this Order. If the requirements of Purchaser's Customers or market, economic or other conditions require changes in delivery schedules, Purchaser may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments without entitling Supplier to a price adjustment or other compensation.
- 8. Rejection/Revocation of Acceptance.** Payment for any goods or services under the Contract shall not constitute acceptance thereof and Purchaser reserves the right to inspect all goods and services purchased under the Contract at Purchaser's discretion and at Purchaser's option and to reject nonconforming goods or services or revoke acceptance of non-conforming goods or services, even if the nonconformity does not become apparent to Purchaser until the manufacturing, processing or assembly stage or later. Nonconforming goods will be held by Purchaser for disposition in accordance with Supplier's written instructions at Supplier's risk. Supplier's failure to provide written instructions within ten (10) days after notice of nonconformity shall entitle Purchaser, at Purchaser's option, to charge Supplier for storage and handling, or to dispose of the goods without any liability of Purchaser to Supplier. Supplier shall reimburse Purchaser for (a) any amounts paid by Purchaser on account of the purchase price of any rejected nonconforming goods or services, and (b) any costs incurred by Purchaser in connection with the nonconforming goods or services, including, but not limited to inspection, sorting, testing, evaluations, storage, removal, installation or rework (including, without limitation, for all parts, labor and transportation costs), within ten (10) days after a debit memo for

the costs has been issued by Purchaser.

9. Changes. Purchaser reserves the right at any time prior to the delivery date of the goods to make changes to the drawings, designs or specifications of the goods or services ordered, the method of packing and shipping, the time, place or method of delivery, the quantity of goods ordered, or any other requirements prescribed in the Contract. Any such changes shall be deemed not to affect the time for performance or cost under the Contract unless Supplier notifies Purchaser in writing within seven (7) days from the receipt by Supplier of notification of the change. If Supplier so notifies Purchaser timely and Purchaser determines that an adjustment is appropriate, Purchaser and Supplier shall negotiate an equitable adjustment to the time for performance or cost after receipt by Purchaser of such documentation, and in such form and detail, as Purchaser may require. Purchaser has the right to examine any of Supplier's pertinent books and records for the purpose of verifying Supplier's claim. If Purchaser determines that no adjustment is appropriate, Purchaser will so advise Supplier in writing. Nothing in this Section shall excuse Supplier from proceeding with the Contract as changed, including failure of the parties to agree upon any adjustment to be made under this Section. Supplier shall not make any change in the Contract or to the goods or services covered by the Contract without the prior written approval of an authorized representative of Purchaser, including, without limitation, any change to (a) any third party supplier to Supplier of services, raw materials or goods used by Supplier in connection with its performance under the Contract, (b) the facility from which Supplier or its suppliers operates, (c) the nature, type or quality of any services, raw materials or goods used by Supplier or its suppliers in connection with the Contract, or (d) the production method, or any process used in the production or provision of any goods or services under the Contract.

10. Warranty. Supplier warrants that, in addition to any warranties otherwise set forth in the Contract or provided under applicable Law, the goods and services supplied under the Contract (a) shall conform to any specifications, drawings, samples or descriptions furnished to Supplier by Purchaser, all U.S. industry standards, and all Laws and other governmental requirements in force in countries where goods or products equipped with such goods are to be installed or sold, (b) shall be free of any liens, encumbrances and rights of third parties, (c) shall be of new material and good workmanship, merchantable and free from defects, and (d) shall be fit and sufficient for the particular purpose intended by Purchaser, including, without limitation, the specified performance in the component, system, and/or subsystem specified by Purchaser and the environment in which the goods or services are or reasonably may be expected to perform. The warranties under this Section shall be effective for the longer of (i) the period provided by applicable Law or other governmental requirement, or (ii) the warranty period provided by Purchaser to its Customers; provided, however, in the case of any recall campaign or other customer satisfaction or corrective service action undertaken by Purchaser or its Customers, the warranty will continue for such time period as may be dictated by Purchaser's Customer or the federal, state, local or foreign government where the goods are used. In the event Supplier breaches any warranty with respect to goods, Supplier shall promptly remove any liens and encumbrances and shall repair or replace the defective or nonconforming goods at no cost to Purchaser. In the event Supplier does not repair or replace the defective or nonconforming goods, Supplier shall refund the Price to Purchaser and thereupon shall be entitled to retain the defective or nonconforming goods. All warranties contained in the Contract shall run, and all remedies shall be available to, Purchaser, its successors and assigns, and to Purchaser's Customers in the event of resale or incorporation into Purchaser's products, and any other users of the goods or services or products equipped with such goods or services. In the event of breach of warranty, Supplier shall be entitled to all rights and remedies available at law, including but not limited to credit, replacement or repair of defective goods at Purchaser's option, costs of removal of the goods from any component, assembly or system into which the goods may have been incorporated, and reinstallation of non-defective goods, and cost of return of the goods. Supplier shall also reimburse Purchaser for any incidental and consequential damages caused by such nonconforming goods including, but not limited to costs, expenses and losses incurred by Purchaser: (aa) in inspecting, sorting, repairing or replacing such goods; (bb) resulting from any production interruptions; (cc) conducting any recall campaigns or other corrective actions; and (dd) claims for personal injury or property damage.

11. Netting, Setoff and Recoupment. All amounts due from Purchaser or Purchaser's affiliates to Supplier or Supplier's affiliates shall be net of any indebtedness or other obligations of Supplier or Supplier's affiliates to Purchaser or Purchaser's affiliates. Purchaser or any of Purchaser's affiliates may, without notice to Supplier or any of Supplier's affiliates, set-off against or recoup from any amounts due or to become due from Supplier or Supplier's affiliates to Purchaser or Purchaser's affiliates, however and whenever arising. In the event that Purchaser or any of Purchaser's affiliates reasonably feels itself at risk as to any amount owed by Supplier or Supplier's affiliates, Purchaser or Purchaser's affiliates may withhold and recoup a corresponding amount due Supplier or Supplier's affiliates to protect against such risk. In addition to any rights otherwise provided or allowed by Law or the Contract, Purchaser or any of Purchaser's affiliates may retain or defer payment of all or any portion of the amount due from Purchaser or Purchaser's affiliates (even if such amount is not disputed, contingent or unliquidated and is otherwise due) to the extent of any obligation of Supplier or Supplier's affiliates to Purchaser or Purchaser's affiliates, even if such obligation is disputed, contingent or unliquidated, until such obligation is resolved. Supplier unconditionally guarantees payment when due of all existing and future obligations of any of its affiliates to Purchaser or any of Purchaser's affiliates, provided however, that the amount guaranteed by Supplier shall not exceed the amount owed by Purchaser to Supplier under the Contract from time to time and at any given time.

12. Insolvency of Supplier. Upon written notice to Supplier, Purchaser may immediately terminate the Contract, without any liability of Purchaser to Supplier, in the event of the happening of any of the following or any other comparable event: (a) the insolvency of Supplier; (b) the filing of a voluntary petition in bankruptcy by Supplier; (c) the filing of an involuntary petition in bankruptcy against Supplier; (d) the appointment of a receiver or trustee for Supplier; or (e) the execution of an assignment for the benefit of creditors of Supplier.

13. Termination for Breach. Upon written notice to Supplier, Purchaser may immediately terminate all or any part of the Contract, without any liability of Purchaser to Supplier, if Supplier (a) repudiates, breaches, or threatens to breach any of the terms of the Contract, including Supplier's warranties, (b) fails to perform or threatens not to deliver goods or services in accordance with the provisions of the Contract; or (c) fails to assure timely and proper completion or delivery of goods or services. If all or any part of the Contract is terminated by Purchaser under this Section, Purchaser shall be entitled to pursue cumulatively against Supplier any or all available remedies under the Contract, or at law or equity, and Supplier shall not be entitled to any reimbursement for the termination.

14. Termination for Convenience. In addition to any other rights of Purchaser to terminate the Contract, Purchaser may immediately terminate all or any part of the Contract at any time and for any reason, by notifying Supplier in writing. Upon receipt of notice of termination pursuant to this Section, Supplier, unless otherwise directed in writing by an authorized representative of Purchaser, shall terminate immediately all work under the Contract.



Upon such termination, Purchaser may, at its option, purchase from Supplier any or all raw materials, work-in-process and finished goods inventory related to the goods under the Contract that are useable and in a merchantable condition. The purchase price for such finished goods, raw materials and work-in-process, and Supplier's sole and exclusive recovery from Purchaser (without regard to the legal theory which is the basis for any claim by Supplier) on account of such termination, will be (a) the Price for all goods or services that have been completed in accordance with the Contract as of the termination date and delivered and accepted by Purchaser and not previously paid for, plus (b) the actual costs of work in process and raw materials incurred by Supplier in furnishing the goods and services under the Contract to the extent such costs are reasonable in amount and are properly allocable or apportionable under generally accepted accounting principles to the terminated portion of the Contract, less (c) the reasonable value or cost (whichever is higher) of any goods or materials used or sold by Supplier with written consent by an authorized representative of Purchaser. In no event will Purchaser be required to pay for finished goods, work-in-process or raw materials that Supplier fabricates or procures in amounts that exceed those Purchaser authorizes in firm delivery releases nor will Purchaser be required to pay for any goods or materials that are in Supplier's standard stock or that are readily marketable. Additionally, Purchaser shall not be liable for and shall not be required to make payments to Supplier, directly or on account of claims by Supplier's subcontractors, for any other alleged losses or costs, whether denominated as loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, general and administrative burden charges resulting from termination of the Contract, or otherwise. Payments made under this Section will not exceed the aggregate Price for finished goods or services that would be produced by Supplier under Purchaser's firm delivery or release schedules outstanding at the date of termination. Within thirty (30) days after the effective date of termination under this Section, Supplier shall submit a comprehensive termination claim to Purchaser, with sufficient supporting data to permit an audit by Purchaser, and will thereafter promptly furnish any supplemental and supporting information Purchaser requests. If Supplier fails to provide a written claim within thirty (30) days of the date of termination, Supplier forfeits any claim for reimbursement.

15. Transition Support. Upon the expiration or earlier termination of all or any portion of the Contract for whatever reason, Supplier agrees to promptly comply with all of its obligations under the Contract and to take such further action as may be reasonably required by Purchaser, including, without limitation, provision, at Purchaser's request, of a sufficient stock of goods in addition to the firm quantities specified in Purchaser's outstanding delivery schedules, to ensure that the transition of supply from Supplier to any alternate seller chosen by Purchaser will proceed smoothly.

16. Limitation of Purchaser's Liability. IN NO EVENT, REGARDLESS OF THE FORM OF THE CAUSE OF ACTION, THE CLAIMS ASSERTED, OR THE PERSON ASSERTING SUCH CLAIMS, SHALL PURCHASER'S LIABILITY IN THE AGGREGATE FOR ALL SUCH MATTERS, EXCEED THE PRICE PAID BY PURCHASER FOR GOODS OR SERVICES UNDER THE CONTRACT, AND SUPPLIER WAIVES ANY CLAIM TO ANY OTHER DAMAGES OR REMEDIES UNDER ANY CAUSE OF ACTION. SUPPLIER AGREES THAT PURCHASER SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS, LOSS OF USE, LOSS OF REVENUE, COST OF CAPITAL, FINES, PENALTIES AND THE LIKE, ENVIRONMENTAL LIABILITY AND DAMAGE, INJURY OR LOSS TO OTHER PROPERTY OR EQUIPMENT OR FOR PERSONAL INJURIES TO SUPPLIER'S EMPLOYEES OR THIRD PARTIES. ANY CLAIMS BY SUPPLIER MUST BE MADE TO PURCHASER WITHIN A PERIOD OF TWELVE (12) MONTHS FROM THE DATE OF THE OCCURRENCE OF THE EVENT GIVING RISE TO THE DAMAGE, OR THE CLAIM IS FORFEITED.

17. Assignment/Subcontracting. Supplier shall not (a) assign the Contract, any interest therein or any rights thereunder; or (b) subcontract any obligation to be performed under the Contract, without the prior written consent of an authorized representative of Purchaser. Any such consent of Purchaser will not release Supplier from, or limit, any of Supplier's obligations under the Contract. If Purchaser consents to Supplier's subcontracting of any of Supplier's obligations under the Contract, Supplier will ensure that the subcontractor agrees to be bound by all of the terms and conditions of the Contract.

18. Intellectual Property. All intellectual property owned or developed by Purchaser shall remain Purchaser's property. Nothing in the Contract shall be construed as granting Supplier any rights to Purchaser's intellectual property. All works of original authorship, ideas, inventions (whether patentable, patented or not), know-how, processes, compilations of information, trademarks and other intellectual property ("Proprietary Materials") developed, made or conceived, or actually or constructively reduced to practice by Supplier in connection with or pursuant to the Contract shall be owned by Purchaser and not by Supplier. To the extent that, by operation of law, Supplier owns any intellectual property rights in the Proprietary Materials, Supplier hereby irrevocably assigns to Purchaser all rights, title and interest, including copyrights and patent rights, in such Proprietary Materials.

19. Special Products. Unless otherwise provided on the face of this Order, any drawings, special dies, tools, patterns or equipment required for the manufacture of goods shall be furnished by Supplier and at no cost to Purchaser. Purchaser, at its option may reimburse Supplier for Supplier's reasonable cost for such drawings, dies, tools or patterns, and shall, as a result become the owner and entitled to possession of same upon Purchaser's request therefor. In the event of Supplier's breach, including, but not limited to Supplier's delay in delivery of the goods or performance of work/services, Purchaser shall be entitled to a full refund of any payments made to Supplier for drawings, dies, tools, patterns or equipment. Supplier waives any lien or other rights that Supplier might otherwise have on any of Purchaser's property, for work performed on or with such property, or otherwise.

20. Indemnification. Supplier shall indemnify, defend and save harmless Purchaser, Purchaser's affiliates, Purchaser's Customers, and their respective successors, assigns, directors, officers, employees and agents, from and against any and all actions, claims, demands, judgments, recall campaigns or other customer satisfaction or corrective service actions, losses, costs, liabilities, damages, expenses and/or fees (including reasonable attorneys' fees), penalties and/or citations of whatsoever kind, character or description ("Claims") that are incurred by or asserted against any such person and that are related in any way to or arise in any way from: (a) Supplier's actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, copyright, industrial design right, or other proprietary right, by reason of the manufacture, provision, use or sale of any goods or services provided by Supplier under the Contract, except for infringement arising solely out of compliance with specifications furnished by Purchaser; (b) any defect or nonconformity or alleged defect or nonconformity in any goods or services provided by Supplier under the Contract; (c) any failure by Supplier to timely deliver any goods or services under the Contract in accordance with Purchaser's shipping and delivery requirements; (d) any noncompliance or alleged noncompliance by Supplier or its employees, agents or subcontractors with its representations, warranties or obligations under the Contract; (e) any negligence or fault or alleged negligence or fault of Supplier in connection with

the design, manufacture or provision of any goods or services; or (f) any injury or death of any person or damage or loss of any property allegedly or actually resulting from or arising out of any act or omission of Supplier or its employees, agents or subcontractors in connection with performing its obligations under the Contract, in each case unless such Claims have been specifically determined by the trier of fact to be solely the result of the gross negligence or willful misconduct of Purchaser. Supplier will defend any and all Claims which may be brought or threatened against Purchaser for which those Claims are the responsibility of Supplier and will pay on behalf of Purchaser all expenses incurred by reason of such Claims including, but not limited to, court costs and actual attorneys' fees incurred in defending or investigating such Claims. Purchaser may at its option, be represented and actively participate through its own counsel in any such claim, suit or proceeding, including any settlement, decree or judgment entered therein. The indemnification obligations of Supplier under this Section are not in lieu of and shall not in any way impair or exclude Purchaser's rights to be indemnified and held harmless by Supplier under any other agreement, any statute, or the common law, and all such rights shall be cumulative. Supplier's obligations pursuant to this Section shall survive the completion of performance and expiration or termination of the Contract.

21. Laws and Regulations. Supplier shall comply with all federal, state, provincial, local and foreign laws, rules, regulations, orders, conventions, ordinances and standards ("Laws") that may be applicable to Supplier's performance of its obligations under the Contract, including, without limitation, those which relate to the manufacture, labeling, transportation, exportation, or importation of goods, environmental matters, the handling and transportation of dangerous goods or hazardous materials, data protection and privacy, labor relations, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety, and motor vehicle safety, and the Contract shall include and hereby incorporates by reference all of the clauses required by the provisions of such Laws. Without limiting the generality of the foregoing, Supplier agrees to comply with and not violate the Foreign Corrupt Practices Act of 1977 of the United States and any and all regulations issued thereunder. Supplier further represents that neither it nor any of its sub-suppliers, subcontractors, agents or other associated third parties will utilize child, slave, prisoner or any other form of forced or involuntary labor, or engage in abusive employment or corrupt business practices, in the supply of goods or services under the Contract.

22. Disclosure Requirements. If requested by Purchaser, Supplier shall promptly furnish to Purchaser in such form and details as Purchaser may direct: (a) a list of all ingredients in any goods supplied under the Contract; (b) the amount of one or more ingredients; and (c) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of any goods under the Contract, Supplier agrees to furnish to Purchaser sufficient warning and notice in writing including appropriate labels on goods, containers and packing of any hazardous material which is an ingredient or a part of any of the goods, together with such handling instructions as may be necessary to advise carriers, Purchaser and their respective employees as to how to exercise that measure of care and precaution which will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the goods, containers and packing shipped to Purchaser. Whenever Supplier becomes aware that any ingredient or component of any goods are or may become harmful to persons or property or that the design or construction of any goods is defective in any manner, Supplier shall immediately give notice thereof, including all relevant information with respect thereto, to Purchaser. Upon request, Supplier shall furnish Purchaser with such written verification as Purchaser deems necessary to certify the origin of any ingredients or materials in any goods supplied under the Contract. Supplier shall also promptly furnish to Purchaser all documents and other information requested by Purchaser so that Purchaser may comply in a timely manner with all applicable Laws and Customer requirements governing consumer protection, conflict minerals or similar materials or ingredients.

23. Quality Management. Supplier will maintain, and will cause any sub-supplier of Supplier with respect to goods or services under the Contract to maintain, an appropriate quality system that meets Purchaser's and Purchaser's Customers' quality specifications and will ensure overall compliance with all quality requirements of Purchaser and Purchaser's Customer. Upon Purchaser's request, Supplier shall furnish Purchaser with copies of Supplier's certification documents, including any amendments thereto. Supplier shall have available at all times appropriate equipment and personnel to perform all required quality procedures and inspections with respect to the goods and services under the Contract and shall conduct timely internal audits of its quality system. Supplier shall ensure at all times during the Contract that overall equipment and plant capacity are adequate to meet Purchaser's needs.

24. Insurance Requirements. In addition to any specific insurance requirements as may be specified in the Contract, throughout the term of the Contract and the warranty period of any goods or services, Supplier shall obtain and maintain, at its sole expense, insurance coverage as required by applicable Law or as reasonably requested by Purchaser (including, without limitation, full public and employee liability, property damage, and workmen's compensation coverage) with such carriers, and in such amounts, as are reasonably acceptable to Purchaser. Each policy of insurance shall name Purchaser as an additional insured and contain endorsements stating that the policy is primary and not excess over or contributory with any other valid, applicable, or collectible insurance in force for Purchaser and also provide a waiver of subrogation in favor of Purchaser under all policies. Supplier shall furnish to Purchaser certificates of insurance setting forth the amount of coverage, policy number and date(s) of expiration for insurance maintained by Supplier and such certificates of insurance shall provide at least sixty (60) days' prior written notice to Purchaser of cancellation, material alteration or nonrenewal.

25. Remedies. The rights and remedies reserved to Purchaser in the Contract shall be cumulative and in addition to all other or further remedies provided at law or in equity. Without limiting the generality of the foregoing, Supplier acknowledges and agrees that money damages would not be a sufficient remedy for any actual, anticipatory or threatened breach of the Contract by Supplier with respect to its delivery of goods or services to Purchaser and that, in addition to all other rights and remedies that Purchaser may have, Purchaser shall be entitled to specific performance and temporary, preliminary and permanent injunctive or other equitable relief as a remedy for any such breach, without proof of actual damages and without bond or other security being required.

26. Confidential Information. Supplier agrees to use any Confidential Information of Purchaser only for the purposes of, and in performance of its obligations under, the Contract. Without limiting the scope of this duty, Supplier agrees not to use any Confidential Information for its own benefit or for the benefit of anyone other than Purchaser. Supplier shall maintain the confidentiality of Purchaser's Confidential Information in the same manner in which it protects its own confidential information of like kind, but in no event shall Supplier take less than reasonable precautions to prevent the unauthorized disclosure or use of Purchaser's Confidential Information. Supplier is permitted to disclose Purchaser's Confidential Information to its employees and authorized subcontractors on a need to know basis only, provided that such employees and authorized subcontractors have written confidentiality obligations to Supplier no less stringent than the confidentiality obligations under this Section. Supplier shall be responsible for any breach of the Contract by any person or entity to whom it has disclosed Purchaser's Confidential Information. In addition, Supplier agrees not to reverse engineer, disassemble or decompile any prototypes, software, computer code or other property or objects which embody the Purchaser's Confidential Information. Finally, upon the request of



Purchaser, Supplier shall return Purchaser's Confidential Information and all copies to Purchaser and shall delete such Confidential Information from all computers and devices. The "Confidential Information" of Purchaser means any and all information of or concerning Purchaser. Confidential Information shall not, however, include any information that (a) was publicly known and made generally available in the public domain prior to the time of disclosure by Purchaser; (b) becomes publicly known and made generally available after disclosure by Purchaser under this Agreement through no action or inaction of Supplier; (c) is obtained by Supplier from a third party unrelated to Purchaser without a breach of such third party's obligations of confidentiality; or (d) has been or is subsequently and independently conceived or developed by Supplier without the use of or reference to the Confidential Information. No license or other rights in the Confidential Information is granted under the Contract. Supplier's confidentiality obligations shall survive termination of the Contract for so long as the Confidential Information remains confidential. In order to assure that Purchaser is able to obtain the full benefit of the restrictions set forth in this Section, Purchaser shall be entitled to injunctive relief, including, but not limited to, emergency, preliminary, temporary and permanent injunctions, from any court of competent jurisdiction as may be necessary to enjoin any violation of the foregoing covenants, without the necessity of proving immediate irreparable harm or an inadequate remedy at law. No bond, indemnity or other security will be required to obtain such injunctive relief.

27. Non-Circumvention. Supplier agrees that it shall not, directly or indirectly, through intermediaries or other persons or companies, circumvent its obligations under the Contract or interfere with, circumvent, usurp, divert or disrupt any agreement, business, business prospect, relationship or transaction Purchaser currently has, had in the past or desires to have in the future with any customer, employee, contractor, supplier or other person or company.

28. Inspection and Audit Rights. Supplier agrees to retain all books, records, certifications, reports and other documents and data related to the Contract, Supplier's performance under the Contract and all goods and services supplied under the Contract for a period equal to the longer of (a) the life of the applicable goods, and (b) three (3) years after receiving final payment from Purchaser under the Contract. Supplier shall make all such items available for inspection by Purchaser and, when requested by Purchaser, furnish Purchaser with copies of any such documents or data. Purchaser shall have the right to inspect and audit Supplier's books, records, operations and facilities, including Supplier's quality system, to insure Supplier's compliance with the terms of the Contract. Supplier shall provide Purchaser and its Customer with reasonable access to its facilities and otherwise cooperate and facilitate any such inspections and/or audits by Purchaser. Notwithstanding the foregoing, no inspection or failure to inspect by Purchaser shall alter Supplier's obligations under the Contract. Supplier will ensure that any sub-supplier of Supplier with respect to any goods or services will comply with all of the requirements under this Section.

29. Independent Contract. Purchaser and Supplier are independent contractors, and nothing in the Contract makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or to create any obligation on behalf of the other party.

30. Waiver. The failure of either party to enforce any right or remedy provided in the Contract or by Law on a particular occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.

31. Severability. A finding that any provision of the Contract is invalid or unenforceable in any jurisdiction will not affect the validity or enforceability of any other provision of the Contract or the validity or enforceability of that provision in any other jurisdiction.

32. Survival. The obligations of Supplier to Purchaser under the Contract shall survive expiration or termination of the Contract, except as otherwise expressly stated in the Contract.

33. English Language. This Agreement is in the English language only, which language shall be controlling in all respects, and all translations of this Agreement into any other language shall be for accommodation only and shall not be binding on the parties. All notices, consents, waivers and other communications required under this Agreement shall be given in the English language.

34. Governing Law; Dispute Resolution. The Contract shall be governed by the laws of the State of Michigan without reference to the choice of law principles thereof. Application of the 1980 United Nations Convention on Contracts for the International Sale of Goods is expressly excluded. Subject to the arbitration requirements below, Supplier consents to the exclusive jurisdiction of the appropriate federal court in the U.S. District Court for the Eastern District of Michigan, Southern Division or of the state courts in the State of Michigan for any legal or equitable action or proceeding arising out of, or in connection with, the Contract. Supplier specifically waives any and all objections to venue in such courts. Any and all controversies, disputes and issues arising under or in connection with the Contract shall be finally and exclusively settled by arbitration before the American Arbitration Association ("AAA"), Southfield Michigan, pursuant to the AAA commercial arbitration rules then in effect; provided, however, that discovery shall be permitted in accordance with the United States Federal Rules of Civil Procedure. There will be one arbitrator to be chosen by the parties by mutual agreement within twenty (20) days after the matter is submitted to arbitration and both parties have received notice of the arbitration. Failing such agreement or if the chosen arbitrator is removed from office or is otherwise unable to perform as an arbitrator in the arbitration, the AAA will choose an arbitrator to act as the sole arbitrator for the parties. English will be used in the arbitration throughout and as a separate covenant; each party agrees to indemnify the other party against all legal costs incurred in the arbitration if it is ordered to pay legal costs of the other party at the conclusion of the arbitration; provided, that each party will bear equally the costs and expenses of AAA and of the arbitrator. The parties also specifically agree to keep all matters related to or arising out of the arbitration confidential during and after the arbitration except for enforcing the arbitration award or complying with an order for disclosure made by a competent court, a government body or any competent regulatory authority. The decision of the arbitrator shall be final and binding upon Purchaser and Supplier, and judgment on the award rendered may be entered in any court of competent jurisdiction. Notwithstanding the foregoing, Purchaser shall have the right, without waiving any remedy under the Contract, to seek from any court of competent jurisdiction (1) equitable relief and (2) any interim or provisional relief that is necessary to protect the rights or property of Purchaser.

35. Entire Agreement. The Contract constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements, communications and understandings of any nature whatsoever, whether oral, written or otherwise, all of which are null,



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void, and of no effect whatsoever. Except as otherwise expressly provided in the Contract, no subsequent terms, conditions, understandings or agreements purporting to modify the terms of the Contract will be binding unless in writing and signed by authorized representatives of both parties. The provisions of the Contract may not be explained, supplemented or qualified through evidence of trade usage or a prior course of dealings.

Effective August, 2017