

D. J. CONLEY ASSOCIATES, INC.
PURCHASE ORDER TERMS AND CONDITIONS

1. AGREEMENT. These Purchase Order Terms and Conditions (“Terms and Conditions”), together with the purchase order incorporating these Terms and Conditions (“Purchase Order”) is an offer by D. J. Conley Associates Inc. (“Buyer”) to the seller set forth on the purchase order (“Seller”) to enter into the agreement it describes and shall be the complete and exclusive statement of such agreement (“Agreement”) between Buyer and Seller regarding the products, equipment, materials (collectively, “Products”) and/or or services (“Services”) covered by the Purchase Order. The Purchase Order shall be deemed to be subject only to these Terms and Conditions, except as they may be added to, modified, superseded, or otherwise altered in a written agreement signed by an authorized representative of Buyer, notwithstanding any terms and conditions that may be contained in any acknowledgment, invoice or other form of Seller, and notwithstanding Buyer's act of accepting or paying for any shipment or any similar act of Buyer. Buyer hereby rejects any different or additional terms and conditions proposed by Seller. If the Purchase Order is sent to Seller in response to a quotation or an offer of Seller submitted to Buyer, the terms of the Purchase Order, including these Terms and Conditions, shall supersede and control all provisions in the quotation or offer of Seller and shall be a rejection of such quotation or offer and an offer to Seller. Seller's shipment of any of the Products or performance of any of the Services covered by the Purchase Order, or Seller's receipt of any payment made pursuant to the Purchase Order, shall constitute Seller's acceptance of the Purchase Order, including these Terms and Conditions.

2. COMPLIANCE WITH LAWS. Seller, and any Products supplied and/or Services performed by Seller, shall comply with all applicable laws, rules, regulations, orders, conventions, ordinances, and standards that relate to the performance, manufacture, labeling, packaging, transportation, importation, exportation, licensing, approval, or certification of such Products and Services, including, but not limited to, those relating to environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health and safety, and motor vehicle safety. Seller represents that neither it, nor any of its subcontractors, will utilize slave, prisoner, or any other form of forced or involuntary labor in the supply of Products and/or Services. At Buyer's request, Seller shall certify in writing its compliance with the foregoing. Without limiting Seller's other indemnification obligations set forth herein, Seller shall defend, indemnify and save harmless Buyer from and against any claims, liabilities, expenses (including attorneys' fees), fines, penalties, damages and/or economic losses associated with the failure of Seller, the Products and/or the Services to comply with the requirements of this Section.

3. VOLUME PROJECTIONS AND QUANTITY. Seller acknowledges that any estimates, forecasts or projections of future anticipated volume or quantity requirements for Products provided by Buyer are provided for informational purposes only and may change over time. Such estimates, forecasts or projections are not binding on Buyer and Buyer makes no representation, warranty, guaranty of commitment of any kind or nature, express or implied, regarding any such estimate, forecast or projection provided to Seller. Buyer shall not be required to make payment for Products and/or Services delivered or performed by Seller that are in excess of the quantities specified in the Purchase Order and/or in Buyer's delivery schedules. Where quantities and/or delivery schedules are not specified on the Purchase Order, Seller shall deliver Products in such quantities as specified by Buyer. Buyer may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments, and such changes shall not entitle Seller to a modification of the price for the affected Products and/or Services.

4. PRICE AND DELIVERY. Prices for Products and Services listed on a Purchase Order are complete, and no surcharges, premiums or other additional charges of any type (including, but not limited to, any charges for packaging, cartage, taxes or other added charges) shall be added,

without the prior written consent of an authorized representative of Buyer. Seller expressly assumes the risk of any event or cause (whether or not foreseen) affecting such prices, including any foreign exchange rate changes, increases in raw materials costs, inflation, increases in labor and other manufacturing costs. Seller shall ensure that the price charged to Buyer for Products and Services is, and will remain, competitive with the price for similar products and/or services available to Buyer from other sellers. Unless otherwise provided on the Purchase Order, delivery of the Products shall be made at Seller's expense to the location specified on the Purchase Order and shall not be deemed complete until the Products have actually been received and accepted by Buyer. Risk of loss and/or damage shall remain with Seller until receipt thereof by Buyer. Time is of the essence, and deliveries shall be made both in the quantities and at the times specified by Buyer. Without limiting the foregoing, Seller shall immediately notify Buyer if it will, or suspects it will, fail to make a delivery at the required time.

5. NONCONFORMING PRODUCTS. All Products shall be received by Buyer, subject to Buyer's inspection and acceptance or rejection. Buyer, at its option, may reject and return at Seller's risk and expense, or retain and correct, Products that fail to conform to the requirements of the Agreement, regardless of when the nonconformity becomes apparent to Buyer. If Buyer elects to return nonconforming Products, Seller shall replace nonconforming Products with conforming Products unless otherwise notified in writing by Buyer. Seller acknowledges that Buyer has no obligation to perform incoming inspections of Products and waives any right to require Buyer to conduct such inspections. Buyer's acceptance, inspection, or failure to inspect, does not relieve Seller of any of its obligations, responsibilities or warranties, including without limitation its obligation to deliver conforming Products.

6. INTELLECTUAL PROPERTY. Seller agrees to defend, indemnify and hold harmless Buyer, its affiliates, personnel, successors, Customers (as defined herein) and users, from and against all liability, economic loss, damage, and expense (including attorneys' fees) associated with any 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 and/or for actual or alleged misuse or misappropriation of a trade secret resulting directly or indirectly by reason of the manufacture, operation, use, design or sale of any Products or Services ordered under the Agreement. The foregoing obligation shall not apply to the extent such infringement arises solely out of compliance with specifications furnished by Buyer.

Except as specifically stated in the Agreement, neither party transfers to the other party any patent, trade secret, trademark, copyright or other intellectual property right owned by such party (“Intellectual Property Right”). Seller grants to Buyer a non-exclusive right and license of Seller's Intellectual Property Rights to: (a) use, sell, and modify Products and incorporate Products into other products for use or sale; and (b) in the case where Seller is unable to perform or has breached this Agreement, to make Products or have Products made by an alternate source for the remaining duration of the Agreement or as otherwise mutually agreed to in writing. All works of original authorship, ideas, inventions (whether patentable, patented or not), know-how, processes, compilations of information, and other intellectual property created by Seller for which the development was paid for by Buyer (collectively, “Proprietary Materials”), and all Intellectual Property Rights in such Proprietary Materials, are owned by Buyer. Seller agrees that all such Proprietary Materials created by Seller for which the development was paid for by Buyer are “works made for hire” as that term is used in connection with the U.S. Copyright Act. Seller shall ensure that all employees and subcontractors to Seller shall have written agreements with Seller consistent these terms.

7. INDEMNIFICATION. Seller agrees to defend, indemnify and hold harmless Buyer, its affiliates, personnel, successors, Customers and users, from and against all liability, economic loss, damage, and expense (including attorneys' fees) associated with (a) Seller's performance of or failure to perform obligations under the Agreement, including, without limitation, claims based on Seller's breach or alleged breach of warranty (whether or not the Products have been incorporated into Buyer's products and/or resold by Buyer); or (b) injury to, or death of, any persons, or damage to or loss of real or personal property arising out of performance of the Agreement by Seller, its employees, agents, contractors or subcontractors or representatives, or the manufacture, operation, use, sale, design or transfer of any Products, including without limitation in connection with any product liability claims.

8. PRODUCTS AND SERVICES WARRANTIES. Seller further warrants that the Products (a) are new, free from defects in workmanship and materials; (b) will be delivered in a useable form and under the appropriate conditions for such Products; (c) conform to any specifications, drawings, samples, or other descriptions referenced herein or applicable thereto; (d) will be of the highest grade and quality unless otherwise specified by Buyer in writing; and (e) will be fit and sufficient for the particular purpose(s) intended by Buyer, which purpose(s) Seller acknowledges are known to Seller. The foregoing warranties shall be the longer of twelve (12) months after Buyer's first productive use of the applicable Product, or twenty-four (24) months after Seller's delivery of the applicable Product. Seller warrants that, subject to applicable laws, the Products may be used and/or sold without restriction, whether geographical or otherwise, as determined by Buyer in its sole discretion.

Seller further warrants that all Services shall be performed in accordance with the highest standards, in a workmanlike manner, free from defects in workmanship and materials and in conformance with all specifications, plans, or drawings referenced herein or applicable thereto. The warranties in this Section are in addition to Seller's other warranties set forth in the Agreement.

9. CONFIDENTIALITY. Buyer and Seller shall each maintain the confidentiality of all non-public technical, business and financial information of the other party, including, but not limited to design and manufacturing information which Seller receives from Buyer ("Confidential Information"), in the same manner in which it protects its own confidential information of like kind, but in no event shall Buyer or Seller take less than reasonable precautions to prevent the unauthorized disclosure, publication, dissemination or use of the other party's Confidential Information. Upon termination of any Purchase Order, each party shall return the Confidential Information of the other party related to such Purchase Order and shall not use such Confidential Information for its own, or any third party's, benefit. The confidentiality obligations in this Section shall be in addition to, and not in replacement of, any confidentiality obligations of the parties as may be set forth in a nondisclosure agreement or similar agreement between the parties.

10. IMPORT AND EXPORT. Upon Buyer's request, Seller shall furnish promptly all documents required for customs drawback purposes, properly completed in accordance with applicable government regulations. Seller shall, at its expense, provide all information necessary for Buyer to fulfill any customs-related or other governmental agency-related obligations, origin marking or labeling requirements and certification or local content reporting requirements, to enable Buyer to claim preferential duty treatment at the time of entry for Products, tooling and equipment eligible under applicable trade preference regimes, and to make all arrangements that are necessary for the Products to be covered by any applicable duty deferral or free trade zone program(s) of the country of import. Seller shall, at its expense, provide Buyer with all documentation to enable the Products to be exported to any location designated by Buyer, and obtain all export licenses or authorizations necessary for the export of the Products, tooling and equipment unless otherwise indicated in the Agreement, in which event Seller shall provide all information as may be necessary to enable Buyer to obtain such licenses or authorization(s). Credits or benefits resulting or arising from the Agreement, including trade credits, export credits or the refund of duties, taxes or fees, shall belong to Buyer. Seller is responsible for any incorrect information provided by Seller or any non-compliance with the

U.S. Customs Regulations by Seller that results in penalties and/or additional duties for Buyer. Seller also acknowledges and agrees to adhere to all security procedures required by the Customs-Trade Partnership Against Terrorism (C-TPAT). Seller shall share with Buyer any audit or inspection information related to C-TPAT inspection and/or validation at Seller's location.

11. LIEN WAIVERS. Seller shall, at its sole cost and expense, obtain from all its subcontractors and materialmen waivers and releases of all liens which may be imposed by them against the premises of Buyer or the improvements thereon, associated with any Products or Services performed under the Agreement, and, without limiting Seller's other indemnification obligations hereunder, Seller shall defend, indemnify and hold harmless Buyer with respect thereto.

12. TERMINATION FOR BREACH OR NONPERFORMANCE. Upon written notice to Seller, Buyer may immediately terminate all or any part of the Agreement, without any financial or other liability of Buyer to Seller, (a) if Seller (i) repudiates, breaches, or threatens to breach any of the terms of the Agreement, including Seller's warranties, (ii) fails to deliver or threatens not to deliver Products in accordance with the Agreement; or (iii) fails to provide Buyer with adequate and reasonable assurance of Seller's ability to perform timely any of Seller's obligations under the Agreement, including, without limitation, delivery of Products or performance of Services; or (b) if Buyer terminates for breach any other Purchase Order issued by Buyer to Seller in accordance with the terms of such other Purchase Order (whether or not such other Purchase Order is related to the Agreement).

13. TERMINATION FOR CONVENIENCE. In addition to any other rights of Buyer to terminate the Agreement, Buyer may, at Buyer's sole option, immediately terminate all or any part of the Agreement at any time and for any reason by providing Seller written notice sent to whatever address Buyer has for Seller. Such notice shall state the extent and effective date of such termination. Upon receipt of Buyer's notice of termination under this Section, Seller, unless otherwise directed in writing by Buyer, shall (a) terminate immediately all work under the Agreement in accordance with such notice; (b) transfer title and deliver to Buyer the usable and merchantable finished Products, work in process, and parts and materials that Seller produced or acquired in accordance with the firm quantities specified in Buyer's delivery schedules as of the date of termination and which Seller cannot use in producing Products for itself or for others; (c) settle all claims by subcontractors, if any, for reasonable actual costs that are rendered unrecoverable by such termination; and (d) upon Buyer's request, cooperate with Buyer in effecting the re-sourcing of the Products covered by the Agreement to an alternative supplier designated by Buyer.

14. ASSIGNMENT. Neither the Agreement, nor any right or obligation associated herewith, may be assigned or transferred by Seller in the absence of Buyer's prior written consent thereto and any purported assignment or transfer absent such consent shall be void.

16. HAZARDOUS MATERIALS. If the Purchase Order covers the purchase of chemicals, raw materials, or any potentially hazardous and/or restricted materials, if requested by Buyer, Seller shall promptly furnish to Buyer (a) a list of all potentially hazardous ingredients in such Products; (b) the quantity of one or more such ingredients; and (c) information concerning any changes in or additions to such ingredients. Before shipping the Products, Seller agrees to furnish to Buyer sufficient warning and notice in writing (including appropriate labels on the Products, containers and packing) of any hazardous material that is an ingredient or a part of any of the Products, together with such special handling instructions necessary to advise the involved carriers, Buyer, and their respective employees how to exercise that measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Products, containers and packing shipped to Buyer.

17. WAIVER. The failure of Buyer to insist in any instance upon strict performance by Seller of any provision of the Purchase Order shall not be construed as a continuing waiver of such item, or waiver of any other provision of the Purchase Order.

18. APPLICABLE LAW; DISPUTE RESOLUTION. Each Purchase Order shall be governed exclusively by the laws of the State of Michigan without any regard to any applicable conflict of laws provisions. The United Nations Convention on the International Sale of Products is expressly excluded. The parties agree that any litigation arising between the parties in relation to the Agreement shall be initiated and maintained in the Circuit Court of the County of Oakland, Michigan, or the U.S. District Court for the Eastern District of Michigan, Southern Division, and the parties hereby irrevocably submit to the exclusive jurisdiction and venue of such courts.

19. FORCE MAJEURE. A delay or failure by either party to perform its obligations under a Purchase Order will be excused, and will not constitute a default, only if (a) caused by an event or occurrence beyond the reasonable control of that party and without its fault or negligence including, without limitation, acts of God or public authority, riots or other public disturbances, labor disputes, power failures; and (b) the party unable to perform gives notice of the non-performance (including its anticipated duration) to the other party promptly after becoming aware that it has occurred or will occur. If Seller is unable to perform for any reason, Buyer may purchase Products and Services from other sources and reduce its purchases from Seller accordingly without liability to Seller. Within three (3) business days after written request by the other party, the non-performing party will provide adequate assurances that the non-performance will not exceed thirty (30) days. If the non-performing party does not provide those assurances, or if the non-performance exceeds thirty (30) days, the other party may terminate the Purchase Order by notice given to the non-performing party before performance resumes.

20. RELATIONSHIP OF PARTIES. Seller and Buyer are independent contracting parties, and nothing in the Agreement shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.

21. SEVERABILITY. If any term of the Agreement is deemed or declared invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or deleted, as the case may be, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of the Agreement shall remain in full force and effect.

22. ENTIRE AGREEMENT; MODIFICATION. The Agreement constitutes the entire agreement between Seller and Buyer with respect to the matters contained in the Agreement and supersedes all prior oral or written representations and agreements. Buyer may modify these Terms and Conditions, at any time, by posting notice of such modified Terms and Conditions on Buyer's Internet website as specified on the face of Buyer's Purchase Order. Such revised Terms and Conditions shall apply to all Purchase Orders and Purchase Order amendments issued on or after the effective date thereof. Seller shall review Buyer's Internet website and the Terms and Conditions periodically.

Buyer reserves the right at any time to direct changes, or cause Seller to make changes, to the Products under any Purchase Order or Purchase Order amendment, including, but not limited to, changes in the design (including drawings and specifications), processing, methods of packing and shipping and the date or place of delivery of the Products covered by the Purchase Order or to otherwise change the scope of the work covered by the Purchase Order including work with respect to such matters as inspection, testing or quality control, and Seller agrees to promptly make such changes.

23. MISCELLANEOUS. Section headings are for reference purposes only and shall not affect the interpretation or meaning of any Section or subsection of these Terms and Conditions. Each party's obligations under the Agreement shall survive termination of the Agreement, except as otherwise expressly stated in the Agreement.