



**LEGGETT & PLATT, INCORPORATED
LEGGETT & PLATT AUTOMOTIVE GROUP/LEGGETT DYNAMICS**

GENERAL TERMS AND CONDITIONS OF PURCHASE

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LEGGETT & PLATT, INCORPORATED
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GENERAL TERMS AND CONDITIONS OF PURCHASE

1. Scope and Acceptance.

- (a) Scope and Offer. Each purchase order or revision thereof (sometimes identified or otherwise referred to as a price confirmation, each an "Order") issued by any of the entities listed on the attached [Exhibit 1](#), all of which together are referred to as the Leggett & Platt Automotive Group branded as Leggett Dynamics (hereinafter collectively referred to as "Buyer") is an offer by Buyer to the seller or its applicable affiliate(s) named thereon ("Seller") for the purchase of the goods, products or services (collectively, the "Goods") described therein and is governed by and subject in all respects to these General Terms and Conditions of Purchase ("Terms") exclusively as provided herein, and together with any attachments or items incorporated by reference (including any specifications, drawings, quality requirements or any other requirements of Buyer or Buyer's customer(s)), and any Buyer Guides or other policies of Buyer provided or otherwise made available to Seller (together with any releases or other written delivery instructions ("Releases") issued by Buyer under an Order, collectively, "Purchasing Documents"), constitute the complete and exclusive agreement between Buyer and Seller. Any request for quotation, Releases (as defined below), purchase agreements, supply agreements or similar documents issued to Seller by Buyer are likewise governed by and subject in all respects to these Terms exclusively. All Goods (whether or not ancillary to a sale of goods) including, but not limited to, service parts, raw materials, equipment, tooling, engineering and design only, components, intermediate assemblies, work in process, and end products to be provided under an Order are included in the term "Goods." Leggett & Platt, Incorporated may from time to time administer purchasing for its non-automotive Affiliates and issue Orders containing its name or logo, but identifying a different entity as the "Buyer." Seller acknowledges and agrees that no such Order shall constitute or be interpreted to represent an Order of Leggett & Platt, Incorporated Automotive Group branded as Leggett Dynamics or a guaranty by Leggett & Platt, Incorporated Automotive Group branded as Leggett Dynamics of any obligations or liabilities of the non-automotive Affiliate identified on an Order as the Buyer. Only the single entity submitting an Order is responsible for any obligation or liability incurred by any other single entity purchasing Goods. An "Affiliate" is an entity directly or indirectly controlled by a party or an entity which is directly or indirectly under common control with a party. "Control" means at least a 25% voting or management interest. For clarity, any order issued or received by a Leggett & Platt, Incorporated Affiliate not listed on [Exhibit 1](#) hereto, shall not be governed by these General Terms and Conditions of Purchase.
- (b) Seller's Acceptance. Any of the following acts by Seller shall constitute Seller's acceptance of an Order, including these Terms, in its entirety: (i) accepting or otherwise acknowledging an Order; (ii) commencing work on or otherwise initiating performance of any portion of the Goods; (iii) initiating shipment of the Goods; or (iv) by other conduct which fairly recognizes the existence of a contract for the purchase and sale of the Goods. For avoidance of doubt, a signed acceptance of an Order is not required. Any objection by Seller to an Order, including these Terms, are deemed waived by Seller upon the occurrence of any one or more of the conditions described in (i) through (iv) above. Acceptance of an Order is strictly limited to and conditional upon Seller's acceptance of an Order, including these Terms exclusively. In the event an Order is determined by a court of last resort to comprise any acceptance of a prior offer by Seller, such acceptance is strictly limited to the terms and conditions set forth herein. The Order is an adequate document to satisfy any statute of frauds.
- (c) Inconsistent or Additional Terms. TERMS AND CONDITIONS IN AN ATTEMPTED ACKNOWLEDGMENT OF AN ORDER, OFFER OR OTHER DOCUMENT ISSUED BY SELLER INCONSISTENT WITH OR IN ADDITION TO THE TERMS AND CONDITIONS OF AN ORDER ARE REJECTED, NOT BINDING UPON BUYER (UNLESS SPECIFICALLY ACCEPTED BY BUYER IN WRITING SIGNED BY BUYER), AND BUYER HEREBY OBJECTS THERETO.

- (d) Other Provisions. An Order also includes other provisions (as amended from time to time) specifically stated to be applicable to the Buyer's purchase of Goods, which may be found on the Buyer's website at <http://leggett.com/SupplierDocuments/Automotive> (or any successor website) and/or which have been or will be provided by Buyer to Seller, including but not limited to the Leggett & Platt Automotive Group Global Supplier Quality and Logistics Manual and other guides for logistics, purchasing, quality, and labeling (together, the "Buyer Guides"). In the event of a conflict between any Buyer Guides and these Terms, these Terms shall govern.
- (e) Amendments to Terms. No exception to, deviation from, or waiver of (a) these Terms shall be valid or binding on Buyer unless specified on the face of an Order or Order amendment or made in a signed writing by Buyer's Purchasing Manager or officer or (b) an Order shall be valid or binding on Buyer unless specified on the face of an Order amendment or made in a signed writing by Buyer's Purchasing Manager or officer; provided, however, that notwithstanding the foregoing, the parties agree that: (i) any clerical errors are subject to correction by Buyer in good faith following identification of such error(s); (ii) Buyer may modify these Terms from time to time by posting revisions to Buyer's website at <http://leggett.com/SupplierDocuments/Automotive> (or any successor website thereto) prior to the date when any such modification shall become effective, and such revised Terms shall apply to all Order amendments or Releases issued on or after the effective date thereof, and Seller further acknowledges and agrees it is responsible to review such Buyer's website periodically; and (iii) Buyer may from time to time issue new or modify existing Buyer Guides or other policies of Buyer and such policies shall become effective as and when made available to Seller. Any such exceptions, deviations or waivers shall apply only to the specific Order for which they are granted and shall not constitute a course of dealing.

2. Duration of Order.

Subject in all respects to Buyer's termination rights: If no specific period or expiration is stated in an Order it shall continue for the life of the project or programs for which the Goods are to be used in production or resold by the Buyer, including for service parts, or if not associated with one or more applicable original equipment manufacturer vehicle or other projects or programs, for one year from the date an Order is issued, automatically renewing for successive one year periods thereafter unless Buyer provides notice to Seller of its desire not to renew. Seller acknowledges and assumes the risk of the original equipment manufacturer vehicle or other project or program production life, as applicable, being delayed, suspended, cancelled, extended or otherwise expanded or reduced, and agrees to supply according to any applicable project or program life changes. Expiration or termination of an Order shall not affect warranty and other obligations which by their nature may continue beyond an initial obligation to provide the Goods. If a specific term is stated in an Order it shall continue for such period and then expire.

3. Prices, Payment, Audit, and Security Interest.

- (a) Pricing and Invoices. Seller shall furnish the Goods at the prices specified in an Order. The price specified in an Order shall be complete, and no additional charges of any type, including but not limited to, for current or increased costs of materials, labor, packaging, labeling, customs, duties, tariffs, taxes, storage, insurance, boxing and crating shall be added for any reason without Buyer's express written consent. All prices are firm for the duration of the Order. No price increases will be permitted for any reason, including but not limited to price increases to cover increases in the cost of raw materials, parts, components, fuel, energy, labor, supplies, overhead, or transportation. All prices are in the currency applicable at the place of issuance of the Order unless otherwise specified on the face of the Order and are DDP destination, Incoterms 2010. Seller warrants that the prices for the Goods are not less favorable than those currently extended to any other customer for the same or similar goods in similar quantities. In the event Seller reduces its price of such goods sold to other customers during the term of this order, Seller agrees to reduce the prices of the Goods correspondingly.

- (b) Payment. Unless otherwise stated on the face of an Orders or other document signed by Buyer, payment terms are Net 120 from the Payment Start Date. The "Payment Start Date" shall be the date on which Seller's invoice is received by Buyer, the date that Buyer receives the Goods or such other date as may be specified in Buyer's Guides, whichever comes last. All cash discounts shall be computed from the date of receipt by Buyer of a final correct invoice or receipt of the Goods, whichever occurs later. Buyer shall pay for Goods on a Net Settlement Basis for all of the accounts of Seller arising from an Order and other agreements Seller has with Buyer. "Net Settlement Basis" means that, unless prohibited by law, Buyer may set off and recoup against Buyer's accounts payable to Seller any amounts which Buyer determines in commercial good faith that Seller or any Seller Affiliate is liable to Buyer or any Affiliate of Buyer, under any Order or other agreements between Seller or any Seller Affiliate and Buyer or any Buyer Affiliate. Buyer may do so without advance notice to Seller. Payment shall not constitute acceptance of non-conforming Goods and shall not limit or affect any rights or remedies of Buyer.
- (c) Auditing and Indemnification. Buyer may at any reasonable time send its authorized representatives to examine all pertinent facilities, documents and materials in the possession or under the control of Seller relating to any of Seller's obligations under an Order or any payments requested by Seller pursuant to an Order. Seller shall maintain books and records relating to an Order for a period equal to the greater of seven years after completion of final delivery of Goods pursuant to an Order or as required by applicable law. If any such audit discloses any inaccurate information, Seller shall indemnify, defend and hold harmless Buyer from and against any loss, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including but not limited to all audit and attorney's fees and any other cost related thereto, plus interest at the legal rate for written contracts (expressed as an annual percent). Seller shall obtain from Seller's suppliers and subcontractors such audit rights for benefit of Buyer.
- (d) Customs Invoice. If Goods will cross an international border during delivery, Seller shall provide a commercial invoice to Buyer in the form and content as required by Buyer's Guides and for customs clearance within a reasonable amount of time to facilitate the timely clearance. The invoice shall be in English, or in the specific language of the destination country as directed by Buyer.
- (e) Taxes. Seller's price includes all payroll and occupational taxes, excise taxes, value-added taxes that are not recoverable by Buyer as of the date the tax is due, and, except with the written consent of Buyer, all other taxes, fees, duties, tariffs or other charges applicable to the Goods under the applicable Incoterm or other delivery term; provided, however, that any national, state/provincial and local sales, use, excise, recoverable value added, and/or privilege taxes, if applicable, will be identified on Seller's invoice separately from the price. If Seller is obligated by law to charge any excise, value-added and/or similar tax to Buyer, Seller shall ensure that it is invoiced to Buyer and once collected is promptly remitted by Seller to the appropriate government authority, all in accordance with applicable rules so as to allow Buyer (without any registration with the government) to reclaim such excise, value-added and/or similar tax from the appropriate government authority. Seller transfers to Buyer all taxes, fees, and duties which are recoverable by Seller and shall cooperate with Buyer to enable Buyer to recover such sums.
- (f) Payment Conditions. Notwithstanding the particular payment terms applicable to an Order: (i) if Buyer is to be paid by its customer for tooling, Seller shall not earn a right to payment for such tooling before Buyer is paid by its customer for such tooling; (ii) Buyer may, at its option, upon notice to Seller, revise its payment terms for Goods to take into account any change in the payment terms of Buyer's customer applicable to the Goods under any Order; and (iii) Buyer may demand from Seller sworn statements and waiver of liens before payment.

4. Quantities and Forecasts.

- (a) Quantities. If a specific quantity is not specified on the face of the Order, or if the face of the Order specifies the quantity as zero, "blanket," "see release," "as scheduled," "as directed," "as requested," "subject to Buyer's releases" or any similar descriptors, then the Order shall be deemed a requirements contract, and Seller hereby agrees to sell to Buyer and Buyer hereby agrees to purchase from Seller one hundred percent (100%) of Buyer's requirements for the Goods, and those requirements will be reflected in

quantities that are specifically identified by Buyer as firm orders in Buyer's Releases issued or otherwise made available to Seller. For avoidance of doubt, each such Release issued or otherwise made available to Seller shall be deemed part of, and shall be governed by and subject in all respects to, the Order. Notwithstanding anything to the contrary, Buyer may purchase and use Goods from other suppliers for purposes of (i) evaluation, qualification, trial production testing or similar purposes, (ii) protecting against actual, threatened, potential or perceived shortages or disruptions in supply from Seller, including in connection with any breach or threatened breach by Seller of the Order, or (iii) as otherwise permitted by the Order.

- (b) Forecasts. Any estimates, forecasts or other projections of anticipated requirements for Goods or program lengths provided by Buyer, if any, are, for avoidance of doubt, non-binding and provided for informational purposes only and are subject to change for any variety of internal and external factors within and outside Buyer's control. Buyer makes no representation, warranty, express or implied, including as to the accuracy or completeness of any such estimates, forecasts or other projections provided by Buyer to Seller from time to time. No such estimate, forecast or projection shall be deemed or otherwise construed as any form of commitment of Buyer or otherwise binding on Buyer in any respect. Without limiting the foregoing, an Order providing for Seller to provide a fixed percentage or range of percentages of Buyer's requirements is not a guarantee of any specific quantity of Goods that must be purchased by Buyer other than such fixed percentage or range of percentages of Buyer's requirements, and the actual purchases pursuant to Releases can be substantially different from the estimates given.
- (c) Seller's Capacity Obligations. A reference to quantities of production Goods included in an Order for tooling or other non-production Goods, is to obtain a warranty of performance of the Goods to be produced with the non-production Goods, and is not an obligation for the issuance of an Order for any production Goods or for a particular quantity of production Goods. A reference in an Order to a minimum or maximum quantity of production of Goods is a warranty by Seller of its commitment to maintain the indicated capacity and production levels, and is not a guarantee of a quantity of Goods to be ordered by Buyer. Seller is responsible for any costs incurred to comply with Buyer's Releases, regardless of estimated quantities, including but not limited to costs to increase capacity above estimated or maximum quantities. Seller shall maintain production and delivery capacity so that deliveries can be made in accordance with Buyer's Releases. Seller shall immediately inform Buyer if there is any risk of deviation from the Releases (including but not limited to potential labor disputes) and shall take all available measures to avoid such deviation. Seller is aware that the actual need for the Goods may be driven by the requirements of Buyer's customer, and that Seller and Buyer must adopt a flexible approach to adjust to these and other contingencies.
- (d) Claims. All claims related to Buyer's alleged failure to comply with obligations to purchase firm quantities must be made in writing within 120 days of date such claim accrues or it is barred, released and abandoned.

5. Electronic Data Interchange.

Seller shall comply with all Buyer Guides and requirements related to participation in electronic data interchange and computer access.

6. Delivery.

Seller shall maintain a 100% on time delivery record and a 100% compliance with other Order requirements. Delivery must be on the date indicated in an Order, if any, unless otherwise directed by Buyer. Seller shall comply with delivery, documentation, marking, and other logistics requirements in Buyer's Guides. Deliveries are to be made only in quantities and at times specified in Releases as they may be amended by Buyer. Buyer may, from time to time, change delivery schedules or direct temporary suspension of scheduled shipments without additional charge. Time is of the essence as to delivery and other performance by Seller.

7. Changes.

- (a) Required Changes and Requests for Adjustments. Buyer reserves the right at any time to make changes in quantities, drawings, specifications, testing or quality control, packing, shipment, scope of work and other specific terms of an Order. Seller agrees to promptly make such changes. The specifications shall include those in an Order and any statement of work or statement of requirements issued by Buyer or its customer. Any purported change shall be binding on Buyer only if made in a written Order amendment from Buyer. Seller shall consider and advise Buyer of the impact, if any, of a change on the system or assembly in which the Goods covered by an Order are used. Any changes shall be deemed not to affect the time for performance or cost under an Order unless, within five days of Buyer's issuance of such notice, Seller notifies Buyer of any impact on price (higher or lower) or time for delivery or performance necessarily resulting from such changes together with a detailed claim for any requested adjustment(s) thereto. Time is of the essence for such request. If after reviewing such claim and request, Buyer determines in its sole judgment that an adjustment is warranted, the parties will discuss an equitable adjustment taking into consideration any adjustments received by Buyer from its customer. Notwithstanding anything to the contrary, if any adjustment includes an increase to the price or time for performance, the price shall be adjusted solely to compensate Seller for actual, verified increased costs of materials and other direct production costs (excluding overhead and profit) necessarily incurred as a result of the changes, and the terms for performance shall be adjusted only for the period actually and reasonably required to comply with the changes. No price increase shall take effect unless and until an Order amendment is issued by Buyer. For avoidance of doubt, if Seller fails to respond within five days of Buyer's issuance of a change notice, Seller shall be deemed to have accepted Buyer's changes with no adjustment on the price or time for delivery or performance. Seller shall diligently perform an Order and all changes while its claim is being evaluated and during any period of dispute regarding Seller's requested adjustments. Any such claim by Seller for adjustment to time for performance or price under an Order must be solely and directly the result of the change directed by Buyer and any notice of such claim shall be effective only if accompanied by all relevant information sufficient for Buyer to verify such claim. Buyer shall have the right to audit all relevant records, facilities, work or materials of Seller to verify any claim. Nothing in this Section shall excuse Seller from performing promptly in accordance with an Order as changed.
- (b) Limitation on Changes. Without the prior approval of Buyer on the face of an Order amendment Seller shall not make any changes to any Order or the Goods covered by an Order, including, without limitation, changing: (i) any third party supplier to Seller of services, raw materials or goods used by Seller in connection with its performance under an Order, (ii) the facility from which Seller or such supplier operates, (iii) the price of any of the Goods covered by an Order, (iv) the nature, type or quality of any services, raw materials or goods used by Seller or its suppliers in connection with an Order; (v) the fit, form, function, appearance, performance of any Goods covered by an Order; or (vi) the production method, or any process or software used in the production or provision of any Goods under an Order. Any changes by Seller to any Order or the Goods covered by an Order without the prior approval by Buyer on the face of an Order amendment or in a signed writing by Buyer's Purchasing Manager or officer, shall constitute a breach of an Order. If Seller proposes a change, Seller shall notify Buyer at least one hundred twenty (120) days prior to the proposed date of implementation together with all necessary information and documentation so as to permit Buyer to fully assess the proposed change. Seller shall provide, at Seller's sole cost, any samples and additional information, testing or other data requested by Buyer at the times and in the form requested by Buyer. In connection with and prior to implementation of any such change request approved by Buyer in writing, Buyer may condition its approval on and otherwise require, among any other requirements demanded of Seller, that adjustments be made to the price or time for delivery or performance of Goods and Seller, at Seller's sole cost, prepare a safety stock of Goods satisfactory to Buyer. No changes may be made by Seller other than in strict accordance with this Section **Error!**
Reference source not found..

8. Service and Replacement Parts.

- (a) Supply. During the production period and for (a) the longer of fifteen (15) years after the applicable original equipment manufacturer vehicle program ceases production (i.e., end of program life) or the period Buyer is required by its customer to provide service, aftermarket and replacement requirements or (b) ten years after any non-automotive program ceases production, Seller hereby agrees to sell to Buyer and Buyer hereby agrees to purchase from Seller (directly or through its designee) one hundred percent (100%) of Buyer's service, aftermarket and replacement requirements for the Goods, including component parts and materials, and those requirements will be reflected in quantities that are specifically identified by Buyer as firm orders in Buyer's Releases issued or otherwise made available to Seller. If the Goods are systems or modules, Seller shall sell to Buyer, as ordered by Buyer, the system or module or the components or parts that comprise the system or module. The prices for the components or parts shall not, in the aggregate, exceed the price of the system or module less assembly costs. Unless otherwise agreed to by Buyer in writing, the price during the first five years of this period shall be those in effect at the conclusion of purchases for production for the customer plus any actual costs for any unique packaging required for Goods intended for service and aftermarket. For the remainder of this period, the price for Goods shall be as agreed to by the parties, not to exceed the lower of: (i) the cost of manufacture and, not to exceed the percentage on production Goods, a reasonable contribution to overhead and profit; or (ii) the price at which Buyer is obligated to sell to its customer; or (iii) the price at the conclusion of production for use by customer's current models, plus any actual costs for any unique packaging required for Goods intended for service and aftermarket. When requested by Buyer, Seller shall make service literature and other materials available in English at no additional charge to support Buyer's service and replacement part sales activities.
- (b) Related Deliverables. Upon Buyer's request and without charge, Seller shall furnish Buyer with all data and the following:
- (i) Appropriate Seller and third party certification of all Goods requiring calibration and testing prior to delivery.
 - (ii) Draft and final copies, if any, of the service shop manual and illustrations to facilitate preparation of the service shop manual by Buyer for the Goods.
 - (iii) User manuals, training materials, product descriptions and specifications, brochures, technical manuals, license agreements, supporting materials and other printed information relating to the Goods. Additional training and support in the installation and use of the Goods will be made available without charge to Buyer as reasonably required and as may be provided in the Development Agreement between the parties.

Drawings and specifications of any proposed special tools, if any, which will be used in servicing Goods, to facilitate the installation or use of Goods, or of special tooling and processes used in the manufacture of the Goods.

9. Risk of Loss and Title to Goods.

- (a) Risk of Loss. All shipments are at the risk of Seller until receipt at Buyer's location or other final destination designated in an Order or other writing by Buyer, regardless of the delivery point pursuant to the delivery terms unless risk of loss is otherwise assumed by Buyer in writing. Seller shall insure the Goods at their replacement value for the benefit of Seller and Buyer as their interest may appear and provide to Buyer proof thereof. If risk of loss is assumed by Buyer, all risk casualty insurance for replacement value must be provided by Seller for the benefit of Buyer. The cost of any insurance shall be paid by Seller unless otherwise agreed in writing by Buyer. Under no condition will the risk of loss be that of Buyer, unless such insurance is provided. Risk of loss shall not be governed by transfer of title.

- (b) Title to Goods. Title to the Goods shall pass to Buyer at the delivery point.
- (c) Right to Possession. Buyer has the right to possession of all Goods at all times from the time the Goods are identified to an Order whether or not Seller is in default subject to Buyer's obligation to pay for the Goods upon obtaining possession. This right is separate and apart from any Security Interest.

10. Maintenance and Safe Use.

Seller shall provide to Buyer with the Goods, in writing, in English (subject to any mandatory translation required by any applicable law which Seller shall also provide) and in writing, all information necessary: (a) for the safe installation, use, maintenance and repair of the Goods; and (b) to maximize the efficient use and useful life of the Goods. Prior to and with the shipment of the Goods, Seller shall furnish to Buyer sufficient warning and notice in writing (including material safety data sheets and appropriate labels on the Goods, containers and packing) of any hazardous material that is an ingredient or a part of any of the Goods, together with such special handling instructions as may be necessary to advise carriers, Buyer, customers and end users if applicable, and their respective employees, how to exercise that measure of care and precaution that will best prevent bodily injury (including death) or property damage in the handling, transportation, processing, use or disposal of the Goods, containers and packing shipped to Buyer. If requested by Buyer, Seller shall promptly furnish to Buyer in such form and detail as Buyer may direct, in addition to standard material safety data sheets: (i) a list of all ingredients in the Goods; (ii) the amount of all ingredients; (iii) information concerning any changes in or additions to such ingredients; and (iv) other information required by International Material Data System consumer protection laws and conflict minerals regulations.

11. Quality and Inspection.

Seller shall comply with all provisions of Buyer's Guides relating to quality, testing, inspection, and related matters.

12. Warranties.

- (a) Express Warranties. Seller warrants and represents to Buyer, Buyer's customers, and the direct and indirect end users of the products and services sold by Buyer that all Goods shall be: (i) merchantable; (ii) free from failure in the final product as sold to the end user; (iii) free from all defects, including for example, design, workmanship and materials; (iv) fit, sufficient, and suitable for the particular purposes for which they are purchased, including the specified form, fit, function and performance as a component and in the component system, as a part of the final product subsystem, in the location within the final products to be sold by Buyer and its customer and in the environment in which the Goods are or reasonably may be expected to perform; (v) in strict compliance with the specifications, samples, drawings, designs, Seller's advertisements, statements on containers and labels, statements of work and requirements of Buyer and its customers and other requirements (including performance specifications) approved or adopted by Buyer as of the date of delivery or such other date provided by Buyer in writing; (vi) in strict compliance with all government requirements of the jurisdictions in which the Goods, and the products and services containing the Goods, originate or are to be consumed, used, sold, or performed; (vii) composed of all new materials and components; (viii) produced or, in the case of services, rendered by experienced and well trained personnel in a professional and workmanlike manner and in accordance with industry best practice; (ix) in conformity with all sales and other information provided by Seller orally or in writing; and (x) free of liens. Seller acknowledges and agrees that it knows the particular purpose for which the Goods are intended. If there is any conflict or overlap of provisions regarding Seller's warranties, the more demanding provision shall apply. Any attempt by Seller to limit, disclaim, or restrict any such warranties or any remedies of Buyer, by acknowledgement or otherwise in accepting or performing an Order, shall be null, void, and ineffective without Buyer's prior written consent. Approvals by Buyer of Seller's design drawings, specifications, samples, designs and other data, are to assist Seller without charge to Seller, but they do not replace, modify or cause Seller to share, Buyer's responsibility and do not waive or limit any warranty of Seller.

- (b) Warranty Period. As to each of the Goods, each of Seller's warranties begins on the date of delivery to Buyer and continues until the last to occur of the following: (i) four years after delivery to Buyer; (ii) the expiration of the longest time period which Buyer or Buyer's customer or the original equipment manufacturer in which the Goods may be installed may be required, by contract or law, to repair or replace the Goods or Buyer's product incorporating the Goods; or (iii) the period provided by applicable law for the Goods as sold to a consumer. The statute of limitations period applicable to any breach of warranty will be the longest statute of limitation period for breach of contract, products liability or indemnity claims in any applicable jurisdiction or, in the case of any recall campaign, the longest time period provided by the U.S. federal, state, or foreign government where the Goods are used. If Buyer or its customer, voluntarily or pursuant to a government mandate, makes an offer to owners of vehicles (or other finished products) on which the Goods, or any parts, components or systems incorporating the Goods, are installed to provide remedial action to address a defect or condition that relates to safety or the failure of the product to comply with any applicable law, safety standard or guideline, whether in connection with a recall campaign or other customer satisfaction or corrective service action (a "Remedial Action"), the warranty shall continue for such time period as may be dictated by Buyer, Buyer's customer or the federal, state, local or foreign government where the Goods are used or provided and Seller shall fully comply with the requirements of the Remedial Action.
- (c) Warranty Intent and Purpose. All warranties are intended to provide Buyer with protection from any and all warranty claims brought against Buyer by its customer. This includes, but is not limited to, satisfying any customer-required warranties relating to the Goods or products into which the Goods are incorporated. All such customer-required warranties are incorporated by reference.
- (d) Notice of Breach. The following communications shall each constitute notice of breach of warranty under an Order: (i) any communication or notice specifying a defect, default, claim of defect or other problem or quality issue with Goods sold under an Order; or (ii) any communication to Seller claiming that Seller's Goods are in breach of any warranty or that Seller is in default under an Order. Any such claim of breach by Buyer may only be rescinded in a writing signed by Buyer's Purchasing Manager or officer.
- (e) Buyer's Defense of Third Party Claims. To mitigate its damages, Buyer may elect to fully defend any claim from any customer or other third party that any Goods supplied by Seller are defective, in breach of warranty, or otherwise did not meet applicable legal or contractual requirements because such claimant may attempt to hold Buyer responsible for problems caused in whole or in part by Seller. Seller and Buyer agree that this defense is in the interest of both Seller and Buyer. Seller waives the right to assert that Buyer took any such position in any way limits Buyer's right to assert a claim against Seller by Buyer for breach of warranty, contribution, indemnification or other claim that may arise from or be related to the subject matter of any of the foregoing. If Seller wishes to participate in any of the negotiations with Buyer's customer or other third party regarding any of the foregoing or any related litigation or defense of any such claim, then in each case that Seller receives a notice of default or claim of breach, Seller shall give Buyer prompt written notice of its request to participate, which notice shall describe with particularity the details of Seller's position regarding the defense of the alleged default or breach.
- (f) Costs of Remedial Action. Notwithstanding the expiration of the warranty period set forth in these Terms, Seller shall nonetheless be liable for all costs and damages associated or incurred in connection with the conduct and/or administration of any Remedial Action to the extent that such Remedial Action is based upon a reasonable determination (including by use of statistical analysis or other sampling methodology) that the Goods are defective or fail to conform to the warranties set forth in an Order, plus all damages and remedies specified elsewhere in these Terms. Upon such a determination, Seller shall pay all reasonable expenses associated with determining whether a Remedial Action is necessary. Any Remedial Action involving Goods sold to Buyer shall be treated separately and distinctly from similar Remedial Actions of other products of Seller; provided that such separate and distinct treatment is lawful and Seller shall provide at least the same protection and remedies to Buyer on such Goods as Seller provides to its other customers in connection with such similar Remedial Actions.

- (g) Work Environment. Seller warrants that no child, prison, forced or involuntary labor shall be used by Seller or its subcontractors in the production of Goods. Seller and its subcontractors shall maintain a work place free from physical abuse and any practice in violation of local law. Seller and its subcontractors shall provide a healthy, safe work environment, wages and benefits as required by applicable law, freedom of association and reasonable working conditions. Seller agrees to comply with Buyer's [Supplier Code of Conduct](#) and [Global Anti-Bribery Policy](#).
- (h) Cumulation. All warranties and remedies provided by these Terms are cumulative and in addition to those provided by law and shall survive testing, inspection, acceptance, use and incorporation of the Goods. Approval by Buyer of Seller's drawings, data, designs, engineering instructions, models, specifications or other technical information, written, oral or otherwise, does not waive or limit any warranty.
- (i) Assignability. All warranties under this Section are assignable by Buyer to its customers, end users and other third parties without notice to or consent by Seller.

13. Indemnity Insurance and Performance on Buyer's Premises.

- (a) Indemnity and Liability. In addition to any rights to indemnification or remedy provided to Buyer by applicable law, Seller, at its expense, shall at Buyer's request defend, indemnify and/or hold harmless the indemnified parties from and against any claims and damages, including damages relating to the investigation, pursuit, defense and handling of any claims arising out of or relating to the condition, labeling, engineering, use, sale, storage, design, safety and other matters relating to the Goods whether or not incorporated in another product, as long as the damages were not caused solely by Buyer or other third party who is not a supplier of Seller. For clarity, Seller shall pay all damages that an indemnified party may sustain by reason of the foregoing. Seller waives the application of the doctrine of comparative negligence and other doctrines that may otherwise allocate the liability covered by Seller's indemnity. This Section shall not apply to any liability for which the law prohibits Buyer from obtaining indemnity.
- (b) Insurance. Seller shall obtain and maintain insurance coverage in the following minimum amounts with reputable and financially responsible underwriters acceptable to the Buyer and having an A.M Best rating of at least A-VIII: Workers' Compensation - statutory limits for jurisdictions in which work is to be performed; employer's liability-\$1,000,000; comprehensive general liability- with limits not less than \$10,000,000 per occurrence; automobile liability/bodily injury- with limits not less than \$5,000,000 per person for bodily injury and \$10,000,000 per accident for bodily injury, and \$5,000,000 per accident for property damage. An umbrella policy may be used to satisfy the required policy limits. All policies shall be issued by an insurer licensed to do business in the national, state/provincial, and local jurisdiction where Buyer shall use and sell the Goods. The comprehensive general liability insurance shall be an occurrence form of policy and cover global liability arising from products liability, premises, operations, independent contractor, products- completed operations, personal injury and advertising injury, recall and liability assumed under contract. Buyer shall be named as an additional insured under all policies except workers compensation. The Workers Compensation, General Liability and Automobile Liability and any Umbrella Liability policies will each include a waiver of subrogation in favor of the Buyer. Seller also waives subrogation against Buyer. Seller shall furnish to Buyer a certificate of insurance completed by its insurance carriers certifying that the required insurance coverages are in effect and will not be canceled or materially changed until 30 days after prior written notice has been delivered to Buyer. The certificate shall set forth the amount of each coverage, number of policy, date of expiration and Buyer as an additional insured. If Seller is a self-insurer of workers compensation liability as may be permitted by applicable law, Seller shall furnish Buyer a certificate of the Department of Labor, or similar government authority of the jurisdiction in which any labor is to be performed approving the self-insurance. The purchase of such insurance coverage or the furnishing of a certificate shall not be a satisfaction of Seller's liability hereunder, or in any way modify Seller's obligation to indemnify Buyer.

- (c) Performance on Buyer's Premises. If Seller's performance under an Order involves operations by Seller on the premises of Buyer or one of its customers, Seller shall take all necessary precautions to prevent the occurrence of any injury (including death) to persons or damages to property during the progress of such performances, and except to the extent that any such injury or damage is due solely and directly to the negligence of Buyer or a third party. Seller shall defend and indemnify Buyer against any claim which may result in any way from any act or omission of Seller, its agents, employees or subcontractors arising under or related to an Order. The Buyer is not obligated to provide any tools, materials equipment or other personal property to enable Seller to perform on the premises of Buyer or one of its customers. If Buyer does provide such personal property it shall be as bailor for the benefit of Seller AS-IS WHERE-IS. Any such permission may be withdrawn by Buyer at any time. Seller shall return all such personal property to the control of Buyer upon demand in the same condition as when provided, reasonable wear and tear accepted. Seller shall have the sole responsibility for the selection, proper and safe use, and protection of such personal property. Seller shall defend and indemnify Buyer and its customer against all liabilities, claims or damages for injuries or damages to person or property arising out of the selection, use and storage, and loss of such personal property.

14. Termination for Other than Default.

In addition to any other rights of Buyer to cancel or terminate an Order or any Releases, Buyer may at its option immediately terminate all or any part of an Order or any Releases on 30 days' notice, for (a) the termination or material reduction in customer demands; (b) a change in Buyer's requirements; (c) Seller's failure to remain competitive in price, quality, delivery, and/or technology whether or not such failure would be a default or breach by Seller; or (d) Buyer's convenience, by giving written notice to Seller. Seller shall cooperate with Buyer in any transfer of production or other performance to a new supplier. Upon a termination under this Section, Buyer shall pay to Seller the following amounts without duplication: (x) an Order price for all conforming Goods which have been completed in accordance with an Order not previously paid; (y) the actual direct cost of protecting Buyer's property; and (z) the actual direct costs of work in process and raw materials reasonably incurred by Seller in furnishing or preparing to furnish the Goods under an Order or any Releases to the extent such costs are reasonable in amount and are properly allowable or apportionable, under generally accepted accounting principles, to the terminated portion of an Order or any Releases issued pursuant to an Order; less, however, the reasonable value or cost (whichever is higher) of any Goods or materials subsequently used or sold by Seller with Buyer's written consent and of the cost of any damaged or destroyed Goods or materials. Notwithstanding the foregoing or any transfer to Buyer, Buyer shall not be liable to pay for finished Goods, work in process or raw materials obtained, fabricated or processed by Seller in amounts in excess of those authorized as firm in Releases (if Releases are required or contemplated by an Order), for any undelivered Goods which are Seller's standard stock or which are readily marketable, or for any finished Goods or materials which are not promptly delivered to Buyer after request by Buyer. Payments made under this Section shall not exceed the aggregate price payable by Buyer for finished Goods which would have been produced by Seller for firm quantities of finished Goods and materials under Releases outstanding at the date of termination for firm quantities of finished Goods and materials. Except as provided in this Section, Buyer shall not be liable for and shall not be required to make any other payments to Seller, directly or on account of claims by Seller or Seller's suppliers or subcontractors, arising from termination of an Order, including for example only for loss of anticipated profit, revenue or opportunity, and for business interruption, unabsorbed overhead, product development and engineering costs, facilities and equipment, rearrangement cost or rental, unamortized depreciation costs, general and administrative burden charges, or interest on claims. Within 60 days from the effective date of termination, Seller shall submit a comprehensive termination claim to Buyer with sufficient supporting data to permit Buyer's audit and shall thereafter promptly furnish such supplemental and supporting information as Buyer shall request. Buyer, however, shall have no obligation to Seller under this Section if Buyer terminates its purchase obligations under an Order or any Release for any reason other than for Buyer's convenience under Subsection (d) above, except to the extent Buyer recovers from its customer for amounts otherwise due to Seller from Buyer under this Section. Payment under this Section shall constitute the exclusive liability of Buyer if an Order is terminated by Buyer pursuant to this Section. Seller has no right to terminate an Order.

15. Default and Remedies.

- (a) General. Seller shall be in default: (i) if Seller fails to perform any obligation within the time specified in an Order or a Release or any extension thereof granted by Buyer in writing, or upon Buyer's demand if no time has been specified; (ii) if Seller fails to make progress in the performance of any obligation so as to make Buyer reasonably apprehensive about Seller's ability or willingness to perform its obligations; (iii) if Seller repudiates, is in breach or threatens breach of any provisions of an Order or any other agreement between Buyer or its Affiliates and Seller, including Seller's warranties; or (iv) if Seller's performance of its obligations, or if any of the Goods, are found at any time to be defective in design, material or workmanship, or otherwise not in conformity with the requirements of an Order, and if in any of these defaults, the effects of which default can be cured, Seller does not cure such failure within seven calendar days (or such longer period as Buyer may authorize in the notice of default).
- (b) General Remedies. Upon Seller's default, Buyer may by written notice of default to Seller, 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 take one or more of the following actions: (i) rescind, cancel or terminate an Order; (ii) reject and return non-conforming or defective Goods at Seller's expense; (iii) require Seller to inspect the Goods and remove and replace non-conforming or defective Goods with Goods that conform to an Order; and/or (iv) take any other action at Seller's cost which Buyer determines in its reasonable judgment is necessary to cure Seller's default and/or mitigate the effect of Seller's default. If Buyer elects option (iii) and Seller fails to promptly make the necessary inspection, removal and replacement, Buyer may at its option and Seller's cost, inspect and repair or replace the Goods. Buyer may take remedial and other action based on one or more Sections of these Terms as alternative and/or cumulative basis. Seller shall continue performance of an Order to the extent not terminated and shall be liable to Buyer for any excess costs for alternative products or services. Buyer, at its sole discretion, may also elect to extend the delivery schedule and/or to waive other deficiencies in Seller's performance; in which case an equitable reduction in an Order price shall be established by Buyer to compensate Buyer for its damages. If Seller for any reason anticipates difficulty in complying with a required delivery or other date, or in meeting any of the other requirements of an Order, Seller shall promptly notify Buyer in writing of the potential default, the cause thereof, and the estimated length of the anticipated default. Buyer is under no obligation to waive any default.
- (c) Damages. Seller shall reimburse Buyer for all direct, incidental, consequential and special damages, and damages caused by or related to Seller's default including but not limited to lost profits, revenue and opportunity and business interruption. Such damages shall include but are not limited to, costs, expenses and losses incurred directly or indirectly by Buyer or its customers: (i) in inspecting, sorting, repairing or replacing non-conforming Goods; (ii) resulting from production interruptions; (iii) in conducting any recall or other corrective service actions; or (iv) resulting from personal injury (including death) or property damage. Consequential damages include reasonable actual attorneys' and other professionals' fees incurred by Buyer. Buyer's indirect costs include but are not limited to such administrative charges as Buyer establishes from time to time to compensate Buyer for its time and effort in addressing issues related to Seller's default. Buyer may also at its option adjust the price of the non-conforming Goods which it elects to accept to reflect the reduced value of the Goods.
- (d) Specific Performance. Seller acknowledges and agrees that money damages would not be a sufficient remedy for any actual, anticipatory or threatened breach of any Order by Seller with respect to its delivery of Goods to Buyer and that, in addition to all other rights and remedies which Buyer may have, Buyer shall be entitled to specific performance and interlocutory and permanent injunctive or other equitable relief as a remedy for any such breach, without proof of actual damages, without establishing a "balance of convenience", and without bond or other security being required.

- (e) Duty to Deliver. Seller's continued holding of the Goods, Furnished Property, or Required Tooling, after demand has been made by Buyer for delivery, will substantially impair their value, and Buyer shall be entitled to a court order for possession without bond. Seller shall continue to sell Goods under the Order during any dispute with Buyer provided Buyer continues to pay Seller amounts owed less any right of offset.
- (f) Disclaimer of Liability for Certain Damages. UNDER NO CIRCUMSTANCES SHALL BUYER BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES OR DAMAGES FOR LOST PROFIT, REVENUE, OR OPPORTUNITY, BUSINESS INTERRUPTION, AND/OR SIMILAR DAMAGES.
- (g) Transition of Supply. In connection with the expiration of an Order, Buyer's termination or non-renewal of all or any part of an Order, or Buyer's other decision to source the Goods or any portion thereof from any alternate supplier(s), Seller shall cooperate with Buyer in the transition of supply of the Goods, including the following: (a) Seller shall continue production and delivery of all Goods as ordered by Buyer, at the prices and other terms stated in an Order, without premium or other condition, during the entire period reasonably needed by Buyer to complete the transition to the alternate supplier(s), such that Seller's action or inaction causes no interruption in Buyer's ability to obtain the Goods as needed; (b) at no cost to Buyer, Seller shall promptly provide all requested information and documentation regarding and access to Seller's manufacturing process, including on-site inspections, bill-of-material, data, tooling and process detail and samples of the Goods and components; and (c) subject to Seller's reasonable capacity constraints, Seller shall provide special overtime production, storage and/or management of extra inventory of the Goods, extraordinary packaging and transportation and other special services (collectively "Transition Support") as expressly requested by Buyer in writing. If the transition of supply occurs for reasons other than Seller's default, Buyer shall, at the end of the transition period, pay the reasonable, actual cost of Transition Support as requested by Buyer in writing and incurred by Seller, provided that Buyer has approved Seller's estimate of such costs prior to Seller incurring such costs.

16. Property Furnished or Purchased by Buyer or Its Customer for Seller's Use.

- (a) Ownership. Unless otherwise agreed in a writing signed by Buyer, all tooling, tooling designs, equipment, equipment designs, material and other property of every description furnished to Seller by Buyer or its customer, or acquired or developed by Seller but paid for or to be paid for by Buyer or its customer as a separate price or amortized in the price of the Goods, and any materials affixed or attached thereto and replacement thereof (all of which constitutes "Furnished Property"), shall be and remain exclusively the personal property of Buyer or its customer and held as an at-will bailment and in trust for the benefit of Buyer or its customer as their interests may exist. All additions, attachments, accessories and repairs to the Furnished Property, and replacements thereof, shall be deemed Furnished Property and shall become the exclusive property of the owner of the affected Furnished Property without payment. Seller shall not substitute any of its own property for use in place of Furnished Property and to the extent it does so, such property shall become the Furnished Property of the owner of the property replaced. All designs, intellectual property included in Goods or Furnished Property, shall be transferred in Buyer in a format dictated by Buyer immediately upon request, and shall not be encumbered in any way by Seller. Title to the Furnished Property which is acquired by Seller and its contractors, and the components thereof, shall vest in Buyer upon their acquisition or production even though the Furnished Property is not completed. Seller shall sign separate at-will bailment and other agreements confirming the status of Furnished Property under these Terms if requested by Buyer. Seller is also bound by any additional obligations relating to Furnished Property which are contained in Buyer's contract with its customer. Buyer, in its own name, may enforce such obligations on behalf of its customer.
- (b) Maintenance and Taxes. Seller shall install, maintain, repair, replace and return Furnished Property in good condition and working order, reasonable wear and tear excepted, at Seller's cost. Seller shall pay all taxes assessed against the Furnished Property or for its use while in the possession or control of Seller, whether or not Buyer is required by law to pay such taxes. Risk of loss is on Seller.

- (c) Markings. Each individual item of Furnished Property (and the container in which it may be stored) shall be plainly and permanently marked or otherwise adequately identified and permanently marked by Seller as the property of Buyer and/or Buyer's customer as directed by Buyer, including per Buyer's tool/asset tagging procedure, as specified in Buyer's Guides, and with the project and part number on which it is used.
- (d) Use and Safety. Seller shall not use or permit others to use Furnished Property except to fill Orders. Seller shall not, under any circumstance, sell or transfer any product or service produced with the Furnished Property except to Buyer and its designees. Seller shall use Furnished Property in a careful and safe manner. Seller, at its sole cost and expense, shall furnish appropriate safety systems for Furnished Property which are integrated into the production process to meet federal and state OSHA and any other applicable safety rules and regulations, or, if delivered in Canada or other country, all requirements of similar legislation in the jurisdiction and its regulations.
- (e) Warranty Disclaimer. Seller accepts and/or shall produce the Furnished Property "AS IS" and without any representation, warranty or duty from Buyer except as may be specifically stated as such in an Order. It is Seller's obligation to determine if the Furnished Property is suitable for its intended purpose. ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON- INFRINGEMENT OF BUYER AND ITS CUSTOMER ARE DISCLAIMED.
- (f) Express Trust. Payments made by Buyer for Furnished Property are made by Buyer to Seller in express trust for the benefit of Buyer and of any third party toolmaker and other supplier used by Seller or others to produce all or a portion of the Furnished Property who has a perfected toolmaker's lien or similar lien on the Furnished Property which is superior to Buyer's interest in the Furnished Property. Buyer shall pay in trust and Seller shall hold these payments as trustee in express trust for Buyer and the toolmaker to satisfy such lien. Seller acknowledges that such toolmaker is an intended third party beneficiary of this Section and that Buyer and the toolmaker each has the right to enforce the trust directly against Seller only. As an obligation of its position as a trustee, Seller shall provide in its purchase order or other agreement with the toolmaker or other supplier that it shall not include or consent to include Buyer as a party to an action against Seller for payment of all or a portion of the Furnished Property but shall provide notice to Buyer of any action to obtain or retain possession of Furnished Property. Seller shall at Buyer's request defend and/or indemnify Buyer against any action and the costs thereof, including reasonable attorney fees, by the toolmaker or other supplier against Buyer relating to Furnished Property.
- (g) Injunctive Relief. The Required Tooling is a unique product which is critical in the production of a unique part or assembly. Seller expressly acknowledges that Buyer is in an industry that has exacting standards for delivery, quality, and other performance including just-in-time delivery requirements. The failure to produce or deliver the Required Tooling in accordance with the requirements of an Order can expose Buyer to significant claims by third parties and a significant loss of business and reputation which will be very difficult or impossible to quantify and for which Seller may be fiscally unable to respond in monetary damages. Whether or not the parties are in a dispute, Buyer shall be entitled to possession of the Required Tooling on demand and tender of payment to Seller or Seller's tooling subcontractor of any portion of the unpaid purchase price owed Seller under an Order for the Required Tooling which is not contested by Buyer, and Seller shall be entitled to orders for specific performance, preliminary and permanent injunctions and/or other extraordinary relief, which relief shall be cumulative and in addition to any and all other remedies to which any party may be entitled under the Order or by law or equity, including but not limited to an ex parte order for possession of the tooling; provided Buyer shall only be entitled to a single full recovery for any breach. Seller waives any requirement for posting of a bond provided that if a waiver is not permitted by law, the amount of the bond shall not exceed the unpaid purchase price. CERTAIN JURISDICTIONS PROVIDE THE RIGHT TO A TRIAL BY JURY, BUT THIS RIGHT MAY BE WAIVED. SELLER HEREBY KNOWINGLY, VOLUNTARILY AND WITHOUT COERCION, WAIVES ALL RIGHTS TO A TRIAL BY JURY OF ALL DISPUTES ARISING OUT OF OR IN RELATION TO A PROCEEDING BY BUYER TO OBTAIN POSSESSION OF REQUIRED TOOLING.

- (h) Liquidated Damages. Time is of the essence, and any delays will result in substantial damages to Buyer. Seller shall pay to Buyer one (1%) percent of the purchase price of an Order for Furnished Property or Required Tooling for each day of delay of the final completion or any interim scheduled completion or deliverable resulting from any breach of an Order by Seller, not to exceed ten (10%) percent of the purchase price. This liquidated damage provision is only to compensate for the period of delay referenced and shall not affect Buyer's right to injunctive and other relief and the parties agree that the (i) extent of damages that would result from a delay would be uncertain in amount and difficult to ascertain and (ii) liquidated damages represent the parties' reasonable estimate of the Buyer's damages as a result of a delay. Any liquidated damages actually paid by the Seller shall be set off against any other claims of Buyer.
- (i) Alternative Terms Governing Furnished Property and/or Required Tooling. Buyer may elect on the face of an Order to adopt by reference alternative terms regarding Furnished Property and/or Required Tooling, such as, for example, General Terms and Conditions for Manufacturing and Supplying, Use, Storage of Tooling of L & P Automotive Group Europe (EF A3- 52). If Buyer makes said election, the alternative terms adopted by Buyer shall have priority over these Terms to the extent of any inconsistency.

17. Required Tooling.

Production of the Goods by Seller or its subcontractor may require production aids and equipment in addition to that to be provided as Furnished Property under an Order. Seller, at its own expense, shall furnish, keep in good condition, and replace when necessary all tooling, jigs, dies, gages, fixtures, molds, patterns and other personal property used in the production process, whether or not they are Furnished Property or they are owned or leased by Seller or its subcontractors, which are necessary for the production of Goods in accordance with an Order ("Required Tooling"). In addition, all Required Tooling must continue to be maintained or repaired by Seller in a condition that is adequate for at least one year of production based on Buyer's forecasts and historical purchase levels. The cost of changes to Required Tooling necessary to make design changes and specification changes to the Goods authorized by Buyer in writing shall be paid for by Seller unless otherwise provided in an Order. Buyer may inspect Required Tooling and Seller's facilities during normal working hours upon reasonable notice to Seller. Seller may not relocate the Required Tooling without the prior written consent of Buyer. Seller shall advise Buyer of any required repair or replacement of Required Tooling. Seller shall be responsible for obtaining any PPAP required because of movement, modifications, repair, replacement, or other events. Seller shall insure Required Tooling with fire and extended all risk coverage insurance for its replacement value and provide Buyer with certificates of insurance evidencing such coverage. Seller grants Buyer an irrevocable option to take possession of and good title to some or all of the Required Tooling (including leases thereof) as selected by Buyer, that is not Furnished Property and is specific for the production of Goods, upon tender to Seller a purchase price computed as the book value thereof, less any amounts Buyer has previously paid to Seller in any manner for the cost of Required Tooling (e.g., by separate payment or by an allocated portion of the price of the Goods as shown in an Order or documents provided by Seller such as, for example only, a bill of materials); provided, however, that this option to purchase shall not apply to any Required Tooling used primarily to produce products that are standard stock of Seller sold to purchasers other than Buyer or its designee. On Buyer's request, Seller shall deliver any purchased Required Tooling to Buyer at Seller's or its subcontractor's plant or other location specified by Buyer. Seller is responsible for labor and other costs of dismounting, dismantling, preparing for delivery and staging the Required Tooling for delivery. Seller shall cooperate with Buyer in removing the Required Tooling from the location of Seller or its subcontractor. Seller shall have no right, after tender of the purchase price, to retain possession of Required Tooling to secure payment of amounts owed or for any other reason and Seller waives any common law or statutory lien rights, as a claim for damages (with any bond in the amount of the purchase price of tooling to be purchased as may be required by a court) is an adequate remedy. If the Required Tooling is not utilized to produce any Goods for Buyer for a period of five years, Seller shall so notify Buyer in writing and request instructions as to the disposition of the Required Tooling.

18. Compliance with Laws.

Seller represents and warrants to Buyer and its customers that the manufacture, delivery, performance, and sale of the Goods shall at all times strictly comply with all applicable laws of the country of origin, manufacture, destination, and use, including U.S. laws of extraterritorial application, or which otherwise relate to the manufacture, performance, labeling, transportation, distribution, importation, licensing, approval or certification of the Goods or Seller's operations. Without limiting the generality of the foregoing:

- (a) Environmental Laws. Seller shall comply with all laws and standards adopted by Buyer and its customers relating to the environment, including these, for example: (i) requiring design and materials to maximize the recycling of Goods and end products; (ii) requiring marking of Goods with material composition; (iii) applicable to handling waste and chemicals; (iv) applicable to reacting to environmental emergencies; (v) applicable to use of reusable packaging; and (vi) requiring compliance with regulatory emission requirements for manufacturing or importing vehicles and engines in Canada and the United States. Seller shall obtain and retain third party certificates of compliance with ISO 14001 for all of Seller's facilities that produce Goods or have a significant impact on the environment.
- (b) Contractual Obligations. Seller shall comply with any provisions, representations or agreements, or contractual clauses required thereby to be included or incorporated by reference or operation of law in the contract resulting from acceptance of an Order and dealing with, in the United States of America, 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, or, in Canada, the right to equal treatment with respect to employment without discrimination and freedom from harassment in the workplace as provided in the OHSA and the Human Rights Code (Ontario), and any similar applicable state or provincial legislation, as now or hereafter amended or codified and any similar laws of the jurisdiction of production and destination of the Goods. Seller shall comply with all applicable requirements as a subcontractor if an Order qualifies Seller as a subcontractor on a government contract.
- (c) Non-Segregated Facilities. For Orders issued in the United States, Seller warrants that it is, and shall continue to be, in compliance with the requirements for non-segregated facilities set forth in 41 CFR Chapter 601.8. Seller warrants that it is and shall continue to be in compliance with any similar laws of the jurisdiction of production or destination of the Goods and is an equal opportunity employer.
- (d) Controlled Substances. Seller warrants that each chemical substance constituting or contained in the Goods sold is on the list of chemical substances 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, and any similar laws of the jurisdiction of production or destination of the Goods (including without limitation, the Environmental Protection Act in Canada) and that the Goods are not hazardous under any national, state/provincial, and/or local law of the jurisdiction of production or destination, except as clearly stated on the shipping and storage containers.
- (e) Composition of Goods. Seller shall supply to Buyer material safety data sheets on all Goods to each location to which there has not been a prior shipment. Upon the request of Buyer, Seller shall provide Buyer with access to and copies of any other data, materials or other information, including any formulas or analyses, that: (i) relate to the Goods, their composition, any component or part of the Goods, or any materials or substances used in the Goods or in connection with their production; and (ii) are needed, as determined by the requestor, to enable compliance with any requirement of a government (either mandated or voluntarily agreed upon by Buyer or any of its Affiliates) relating to the hazardous, toxic or other content or nature of the Goods, or the ability to dispose of or recycle the Goods or any component, part or materials in the Goods. Seller shall comply with Buyer's and customer's requirements relating to the use (or prohibition on use) of certain materials and substances in the Goods and shall utilize and comply with Buyer's reporting processes and requirements relating to any such data, materials or other information (such as the International Material Data System).

- (f) Labor Standards. Seller warrants that any Goods produced in the United States shall be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended, including Section 12(a) thereof and Seller shall insert a certificate to that effect on all invoices submitted in connection with an Order. Seller warrants that the Goods produced outside the United States shall be produced in facilities that comply with local law and any safety, labor or employment, and environmental standards adopted by Buyer. Seller and its subcontractors shall comply with all applicable laws relating to labor relations and human rights in the production of Goods and its work places.
- (g) Industry Standards and Law. Seller warrants that it shall comply with all applicable industry standards and national, state/provincial and/or local laws, rules, regulations and ordinances/bylaws applicable to the Goods and performance of an Order in the jurisdiction of production and destination of the Goods.
- (h) Export and Economic Sanctions Laws. This Order and all items furnished by Buyer to Seller in connection herewith shall at all times be subject to any and all applicable export control, economic sanctions and anti-terrorism laws and regulations of Canada and the U.S., Nuclear Safety and Control Act, United Nations Act, Special Economic Measures Act, Criminal Code, and in the case of the United States including, but not limited to, 10 CFR Part 810 and U.S. Export Administration Regulations, Nuclear Technology Regulations, and the embargoes and economic sanctions administered by the Office of Foreign Assets Control. Seller warrants that no equipment, materials, services, technical data, technology, software or other technical information or assistance furnished by Buyer, or any product thereof, shall be exported or re-exported by Seller or its authorized transferees, if any, directly or indirectly, except to the consignee(s), if any, specified on this Terms, and in accordance with applicable law relating to export control, economic sanctions and anti-terrorism. Further, Seller warrants that no such export or re-export will be made without the prior explicit authorization, in writing, of Buyer and in accordance with any applicable Canadian, U.S. or other relevant export control, economic sanctions and anti-terrorism laws and regulations to which Buyer is subject. Without limiting the foregoing, Seller shall not engage in or permit any action designed to evade or circumvent applicable export controls, economic sanctions, or trade restrictions, including indirect routing, transshipment, falsification of documentation, or use of undisclosed intermediaries. The obligations in this Section shall survive any satisfaction, expiration, termination or discharge of any other contract obligations.
- (i) Seller's Import Obligations. To the extent Goods are to be delivered under these or other terms requiring Seller to deliver with duty and taxes paid to the destination country (e.g., DDP), Seller warrants that Buyer will not be a party to the importation of the Goods, that the transaction(s) represented by an Order will be consummated after importation, and that Seller will neither cause nor permit Buyer's name to be shown as "importer of record" on any customs declaration. Seller also warrants that, under DDP terms, it has resident or non-resident importation rights into the destination country with knowledge of the necessary import laws. If Seller is acting as the importer of record into a country for the delivery of Goods to the Buyer or its designee, including any component parts thereof, associated with an Order, Seller shall provide Buyer required documentation and all necessary information for duty drawback purposes. Seller is responsible for all tariffs, duties, customs and related fees.
- (j) Conflict Minerals Reporting. Seller warrants that no tantalum, tin, tungsten and/or gold ("Conflict Minerals"), contained in any good subject to this order, originated from the Democratic Republic of the Congo or an adjoining country, unless the Conflict Minerals were processed by a facility listed as compliant pursuant to the CFSI Conflict-Free Smelter Program. Seller agrees to abide by the terms and conditions in Buyer's Conflict Minerals Policy, and to communicate to its sub-suppliers its own commitment to responsible sourcing and legal compliance. Seller agrees to cooperate and work with its sub-suppliers in an attempt to ensure traceability of Conflict Minerals at least to smelter or refiner level, to maintain and record all Conflict Minerals traceability documentation for five years, and to provide such documentation to Buyer upon request.

- (k) Vietnam Era Veterans Readjustment Assistance Act ("VEVRAA"). Seller agrees to comply with the requirements of VEVRAA (30 USC §2012) (41 CFR 60-300.5(a)) and Section 503 of the Rehabilitation Act of 1973 (41 CFR 60-741.5(a)). These regulations prohibit discrimination against qualified individuals on the basis of protected veteran status or disability and require affirmative action by covered primary contractors and subcontractors to employ and advance in employment qualified protected veterans and individuals with disabilities.

19. Confidentiality, Intellectual Property, Information Security and Privacy.

- (a) Confidentiality. At all times prior to, during and after an Order, Seller shall: (i) maintain the confidentiality of any information disclosed by Buyer or any parent, Affiliate, customer and contractor, including for example only, any technical, process or economic information derived from drawings, specifications, samples, Buyer Data, and other data furnished by Buyer in connection with an Order, whether or not identified as "confidential" upon disclosure ("Confidential Information"); (ii) not disclose or permit the disclosure of any Confidential Information to any person other than its employees or subcontractors for whom such knowledge is essential for performance of an Order; (iii) not use Confidential Information except for performance of an Order; and (iv) not disclose any of the terms of an Order or any details or characterization of Buyer's performance of an Order. Seller shall immediately notify Buyer of any disclosure of any Confidential Information that is not permitted by these Terms or other misuse of any Confidential Information or breach of these Terms. Except as required for the efficient performance of an Order, Seller shall not: (x) use Confidential Information or make copies or permit copies to be made of Confidential Information without the prior written consent of Buyer; or (y) sell to any third party any products which are constructed with or incorporate Confidential Information obtained by Seller or from reverse engineering of the Goods. If any copies of Confidential Information are made with prior consent, notice referring to the requirements of this Subsection shall be placed on the copies. Without limiting the direct liability of Seller's employees, subcontractors and others who may have received Confidential Information directly or indirectly from Seller, Seller shall be responsible for the improper disclosure or other misuse of Confidential Information by Seller's employees, subcontractors and others obtaining Confidential Information from Seller, and Seller shall immediately take such steps as may be necessary to terminate any continuing improper disclosure or misuse by any of Seller's employees, subcontractors and others of which Seller becomes aware. Seller shall not disclose Buyer's Confidential Information to any third party without Buyer's prior written consent. Buyer makes no representation, condition or warranty of any kind, express or implied, with respect to any Confidential Information. Buyer may, at its sole discretion, elect at any time, by written notice to Seller, to terminate Seller's further use of Confidential Information for any purpose, other than completion of contractual obligations. Upon receipt of such notice, Seller shall, and shall cause Seller's employees, its subcontractors, and others to promptly cease all further use of Confidential Information, return to Buyer all physical materials containing Confidential Information, whether the materials were originally provided by Buyer or copied or otherwise prepared by Seller or any of Seller's employees or subcontractors, and erase or otherwise destroy any Confidential Information kept by Seller or any of Seller's employees or subcontractors in electronic or other non-physical form. Such termination by Buyer shall not affect Seller's continuing obligations in this Subsection. These obligations are in addition to other obligations relating to Confidential Information under other agreements signed by the parties.
- (b) Seller's Non-Confidential Information. Any knowledge or information disclosed by Seller or on its behalf to Buyer, its Affiliates or subcontractors, which in any way relates to an Order, shall not, unless otherwise specifically agreed to in writing by Buyer, be deemed confidential or proprietary information, and shall be acquired by Buyer, free from any restrictions (other than restrictions under valid patents), as part of the consideration for an Order, and Buyer may disclose such information.
- (c) Indemnification. Seller, at its expense, shall defend, indemnify and hold harmless Buyer and its successors, assigns, customers and users with respect to every claim that may be brought against Buyer or others that use the Goods, for any actual or alleged infringement of any present or future patent, copyright, industrial design right or other proprietary right based on Seller's activity under an Order, or the manufacture, sale or use of the Goods: (i) alone; (ii) in combination by reason of their content, design or

structure; or (iii) in combination in accordance with Seller's recommendations. Seller shall investigate and defend or otherwise handle every such claim, and at Buyer's request, assist Buyer in Buyer's investigation, defense or handling of any such claim. Seller shall pay all expenses and damages or settlement amounts that Buyer and others selling Buyer's products or using the Goods of an Order may sustain by reason of each such indemnified claim. If the use or sale of the Goods is enjoined, Seller shall, at its own expense and at Buyer's option, either: (x) procure the right to continue using the Goods; (y) replace the Goods with a non-infringing equivalent; or (z) remove the Goods and refund the purchase price and the transportation and installation costs thereof. Seller's obligations shall apply even though Buyer furnishes all or any portion of the design and specifies all or any portion of the processing used by Seller and, unless Seller provides a non-infringing equivalent acceptable to Buyer and its customer, even if Buyer has notice of a claim of infringement and continues to purchase, use, or resell Seller's Goods.

- (d) Specific Disclosures Regarding Patents. Seller shall specifically identify in a writing delivered to Buyer prior to any shipment, all components, processes, tooling or equipment used in the production of the Goods that are subject to any patent of Seller or third party. Seller shall obtain from third parties for the benefit of Seller, Buyer and Buyer's subcontractors and customers, any rights necessary to make, use and sell the Goods.
- (e) Restrictions on Seller's Sale Activities. Except for sale to Buyer, Seller shall not manufacture or sell any product which uses the design or the product model numbers or other designation, of the Goods sold under an Order or any product which is produced with the tooling owned by Buyer or its customer used to produce the Goods. Seller shall not sell, attempt to sell, or assist a third party in any way in its attempted sale of any personal property or services to a customer which would replace or reduce any supply by Buyer to a customer of the Goods separately or as a component of an assembly.
- (f) Ownership of Background and Developed IP. Each party shall retain exclusive ownership of all patents, patent applications, inventions, developments, trade secrets, ideas, improvements and other intellectual property rights (hereinafter called "Intellectual Property") which were its property prior to the date of the Order ("Background IP"), provided that Seller hereby grants to Buyer a worldwide, nonexclusive, sublicensable (to Buyer's customer(s) under an Order), perpetual, nontransferable and irrevocable during the term of an Order license to use, sell, offer to sell, practice, import, export, distribute, reproduce, modify, prepare derivative works from, display, and perform all Background IP in connection with the Goods. Any Intellectual Property which is conceived, reduced to practice, discovered, invented, and/or developed in the performance of an Order, either by a party alone or jointly with others, shall be owned exclusively by Buyer. Upon request, Seller shall sign all documents and otherwise cooperate with Buyer as necessary to assign, confirm and perfect the exclusive ownership of all such Intellectual Property rights.
- (g) Software Rights. When Goods include computer programs, including, where applicable, object code (including microcode) and source code, and any enhancements, modifications, updates or releases relating thereto ("Software"), Seller shall obtain and provide to Buyer unrestricted usage rights, which shall be freely transferable, and shall provide Buyer with all documentation related to the Software, including user manuals, training materials, product descriptions and applicable specifications, technical manuals and supporting materials, developed documents, and other printed or electronic information. No portion of the Software delivered to Buyer will contain any undisclosed features or any "back door," "time bomb," "Trojan horse," "worm," "drop dead device," "virus," or other computer software routines or hardware components designed to (i) permit access or unauthorized use of either the Software or Buyer's computer systems, (ii) disable, damage or erase the Software or data, or (iii) perform any other such actions, and the Software shall not contain preprogrammed preventative routines or similar devices which prevent Buyer from exercising the rights granted under an Order and/or from utilizing the Software for the purpose for which it was designed.

(h) Information Security, Protected Health Information and Data Privacy.

- A. "Buyer Data" means all data and information including, as applicable, Personal Health Information and Personal Data: (i) provided to Seller by or on behalf of the Buyer or its affiliates; (ii) obtained, developed or produced by Seller in connection with any Order; or (iii) to which Seller has access in connection with the provision of Goods. "Personal Health Information" means any "Protected Health Information" as defined in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended, and regulations issued thereunder. "Personal Data" means any personal information, personally identifiable information, or personal data that is processed or collected by Seller on behalf of Buyer pursuant to or in connection with the offerings or services under this Purchase Order which identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular identified or identifiable person or, where required, household.
- B. Seller shall maintain reasonable and appropriate physical, technical, and administrative safeguards, consistent with industry standards and applicable legal, regulatory, and recognized industry requirements (including, as applicable, NIST 800-53, ISO 27001, TISAX, and ISO/SAE 21434), to protect the security of Seller's and Buyer's computer networks and the confidentiality, integrity, and availability of information on those networks, and to prevent any breach of confidentiality, integrity, or availability ("Security Incident"). Without limiting the foregoing, Seller shall, at its own expense and at all times, implement and maintain appropriate industry-standard technical, physical, and organizational safeguards, measures and other protections to ensure the proper security of all Confidential Information as well as Buyer's systems and any data used or generated in connection with an Order, including from unauthorized access, disclosure, alteration, or loss. Such measures shall include, without limitation,: (i) securing business facilities, data centers, paper files, servers, back-up systems, and computing equipment, including all mobile devices and other equipment with information storage capability, (ii) implementing network, application, database, and platform security, (iii) securing information transmission, storage, and disposal, (iv) implementing authentication and access controls within media, applications, operating systems, and equipment, (v) encrypting Confidential Information stored on any media and while in transit, (vi) conducting risk assessments, penetration testing, and vulnerability scans and promptly implementing a corrective action plan to correct any issues that are reported as a result of the testing, (vii) implementing appropriate personnel security and integrity procedures and practices, including conducting background checks consistent with applicable law, (viii) maintaining and periodically testing a formally documented security incident response plan that includes formation of an incident response team, categorization of incidents, and responsibility for receiving alerts and investigations, (ix) providing appropriate privacy and information security training to Seller's personnel, and (x), without limiting Seller's obligations under Section (b) below, implementing and maintaining a written information security program including appropriate policies, procedures, and risk assessments that are reviewed at least annually.
- C. Seller shall notify Buyer at cyber.alert@leggett.com of any Security Incident (as defined below) as soon as reasonably possible but in no event later than forty eight (48) hours of Seller discovering such Security Incident. Seller shall (1) cooperate with Buyer as directed in investigating, analyzing, notifying relevant parties, and mitigating the Security Incident and reimburse Buyer for all out-of-pocket costs Buyer incurs in connection with such response, (2) implement appropriate remedial measures to remedy the effects of such Security Incident, (3) provide the specific information about the Security Incident requested by Buyer, and (4) within five (5) days after completion of Seller's investigation of the Security Incident (as soon as reasonably possible but in no event later than twenty (20) days of Seller discovering such Security Incident), provide a written report to Buyer, including, to the extent known, a description of the Security Incident, the causes of such events leading to the Security Incident, how Seller has mitigated against future events of a similar kind, the timeline of the incident, the suspected perpetrators of the Security Incident, what Confidential Information may have been affected by such Security Incident, and any financial impact to Seller related to such Security Incident. A "Security Incident" means (i) any unauthorized access to or disclosure or acquisition of Confidential Information, (ii) any act or omission that compromises either the security, confidentiality, or integrity of

Confidential Information or the physical, technical, administrative, or organizational safeguards put in place by Seller or by Buyer should Seller have access to Buyer's systems, that relate to the protection of the security, confidentiality, or integrity of Confidential Information, (iii) receipt of a complaint in relation to the privacy and data security practices of Seller that could impact Buyer or are related to the activities between Buyer and Seller or a breach or alleged breach of the Purchasing Documents relating to such privacy and data security practices, (iv) any export control violation or potential violation involving Confidential Information, or (v) any other cyber-security event or incident or information system disruption experienced by Seller that causes or is likely to cause any breach by Seller of the Purchasing Documents, including any delay in supplying the Goods or access by Seller or Buyer to Confidential Information.

- D. Confidential Information may include "Personal Data" protected under applicable privacy laws. Seller agrees to manage personal information in accordance with all applicable privacy laws governing the collection, use or disclosure thereof. Seller agrees to execute any other documents that may be reasonably requested by Buyer for purposes of Buyer's or its customers' or vendors' efforts to comply with applicable privacy laws. Seller shall provide reasonable assistance to Buyer in complying with Buyer's obligations under such laws, including in response to requests to exercise an individual's rights under such laws.
- E. If the Goods purchased under these Terms includes: (i) IT services and/or applications, Seller is required to enter into Leggett & Platt, Incorporated's IT Master Service Agreement prior to or concurrent with this Purchase Order unless already in effect between the parties; (ii) processing of or access to any Protected Health Information, Seller will first enter into Leggett & Platt, Incorporated's Business Associate Agreement; and (iii) processing of or access to any Personal Data on behalf of Buyer, it will enter into Leggett & Platt, Incorporated's data processing agreement prior to or concurrent with the processing or accessing of Personal Data.
- F. To the extent the Goods purchased under these Terms includes processing or collecting any Personal Data subject to the California Consumer Privacy Act of 2018, Cal. Civ. Code § 1798.1—et seq. as amended, and any accompanying regulations ("CCPA") Seller will be considered a Service Provider and comply with all applicable obligations required by the CCPA. Seller will not (i) sell or share personally identifiable information, as defined under the CCPA; (ii) retain, use or disclose personally identifiable information for any purpose other than providing the services described in the Agreement; (iii) retain, use or disclose personally identifiable information outside of the direct business relationship between the Parties; or, (iv) combine personally identifiable information that Seller receives from, or on behalf of, Buyer with personally identifiable information that it receives from, or on behalf of another. Seller will promptly notify, reasonably cooperate with, and assist the Buyer to enable the Buyer to assess and respond to any requests of individuals wishing to exercise their rights under the CCPA. Seller shall promptly notify the Buyer if (it can no longer meet its obligations under the CCPA, or, if in its opinion, any processing instructions from Buyer violates the CCPA or any other applicable data protection law.

20. Assignment, Subcontracting and Replacement Orders.

Assignment by Seller of an Order or any interest therein, or any payment due or to become due to Seller, without the prior written consent of Buyer, shall be void and not binding on Buyer. Subcontracting any part of an Order without the prior written consent of Buyer is prohibited. Buyer shall not be obligated to any subcontractor for the product or services of any subcontractor whether or not Buyer has consented to or designated a subcontractor. Buyer may, however, pay the claim of any subcontractor on an Order if in Buyer's reasonable judgment such monies are owed, Seller has failed to make payment, and payment is required for the subcontractor to continue to perform. Seller shall immediately reimburse Buyer for any such payments. Approval of a subcontractor is not a release or waiver of any obligation of Seller or right of Buyer. Subcontracts related to Seller's performance under an Order shall automatically be for the benefit of Buyer without obligating Buyer. Seller is responsible for all actions or inactions of any subcontractor and shall bind its subcontractors for the benefit of Seller and Buyer to perform its obligations under these Terms.

21. Security and Solvency.

- (a) Security Interest. Seller grants to Buyer a security interest ("Security Interest") in the materials, components, contracts, intellectual property, and all other property and any proceeds thereof that may be acquired or allocated by Seller for use in the design, acquisition, assembly, and manufacture of the Goods, including Required Tooling and Furnished Property and in the completed Goods ("Collateral") to secure Seller's return of any deposits and Seller's performance of other obligations under an Order. The Security Interest attaches at the time the Collateral is identified to an Order. The Collateral constitutes and will constitute continuing security for the performance of Seller's obligations under an Order including the obligation of Seller to repay to Buyer all monies paid on an Order if Seller defaults under an Order. Seller shall cooperate with Buyer and provide documents reasonably requested by Buyer, to enable Buyer to confirm, create and perfect the Security Interest. Seller grants Buyer an irrevocable power of attorney coupled with an interest to execute and file such documents. All Collateral shall be marked, tagged, or otherwise identified by Seller as being subject to the Security Interest. Buyer may inspect the Collateral during Seller's normal business hours. Seller shall insure and maintain the Collateral for the benefit of Seller and Buyer.
- (b) Seller's Financial Information. Upon request by Buyer, Seller shall promptly deliver to Buyer the following financial and other information:
- (i) Upon receipt of an Order, Seller's financial statements for the two most recently ended fiscal years (audited, if available);
 - (ii) Within 90 days after the end of each fiscal year, Seller's financial statements for the most recently ended fiscal year (audited, if available);
 - (iii) Within 15 days after the end of each fiscal quarter, Seller's financial statements for the most recently ended fiscal year; and
 - (iv) Any other information that Buyer may reasonably require to demonstrate that Seller will be able to perform its obligations under an Order (including but not limited to production schedules, accounts receivable agings, accounts payable agings, and organizational charts).
- (c) Seller's Representation of Solvency. Seller represents and warrants to Buyer as of the date of each Order (which representations and warranties shall be deemed repeated as of the date of Seller's acceptance of each Release under an Order and at the time of each delivery under an Order): (i) that it is solvent and is paying all debts as they become due; (ii) that it is in compliance with all of its loan covenants and other obligations; (iii) that all financial information provided by Seller to Buyer concerning Seller is true and accurate; (iv) that such financial information fairly represents Seller's financial condition; and (v) that all such financial statements of Seller have been prepared in accordance with generally accepted accounting principles, uniformly and consistently applied. On Buyer's request, Seller shall provide to Buyer annually or as otherwise required by Buyer a written report from an independent financial reporting company acceptable to Seller evaluating Buyer's financial stability and ability to perform an Order. Seller shall provide full cooperation and access to all records and financial personnel to facilitate any such reviews. Seller shall provide Buyer notice in writing if Seller becomes insolvent. Further, Seller shall promptly notify Buyer in writing upon the occurrence of any event that could reasonably be expected to impair Seller's ability to perform an Order, including, without limitation, actual, threaten or potential liquidity constraints, covenant breaches, material adverse changes, restructuring, insolvency proceedings, or significant supplier, labor or other disruptions.

22. Audit Rights.

Seller shall maintain general records relating to an Order for a period of not less than ten years after completion of final delivery of Goods pursuant to that Order. Records of all manufacture, testing and inspection by Seller of the Goods shall be kept complete, separate and available to Buyer and its customer during the performance of an Order and for such longer periods as may be specified in an Order, but not less than ten years after the last delivery of the Goods to Buyer or as required by law. Buyer or its authorized agents and representatives shall have the right at any time during normal business hours of Seller and with one day's prior notice to audit records. In the event any such audit shall disclose an overpayment to Seller, Seller shall pay Buyer, within 14 days after receipt of notice from Buyer, the amount of any overpayment together with interest at the prime rate then charged by Buyer's bank (expressed as an annual interest rate) plus 4% and Seller shall reimburse Buyer for the cost of such audit. Seller shall obtain from the subcontractors the same audit rights for benefit of Buyer.

23. Foreign Purchases.

The following applies to all transactions involving Goods or portions of Goods to be imported into the country in which Seller's place of final delivery to Buyer is located:

- (a) Seller as Exporter and Importer. Except as otherwise provided in an Order, Buyer shall not be a party to the exportation or importation of the Goods. The transaction(s) represented by an Order will be consummated subsequent to importation into the country of destination, and Seller will neither cause nor permit Buyer's name to be shown as "Importer of Record" on any customs declaration. Seller shall obtain all licenses necessary or convenient for the exportation and importation of the Goods to make delivery to the Buyer.
- (b) Customs Forms. Upon request and where applicable, Seller shall provide Buyer or Buyer's representative with all applicable customer forms, properly executed by Seller, as required by Buyer, including but not limited to U.S. Customs Form CF7543 entitled "Certificate of Delivery" (or its replacement), U.S. Customs Form CF7501, Canada Customs forms BSF173 Automotive Report and Release document B239E, NAFTA Certificate of Origin, CI1 Canada Customs Invoice. Upon request, Seller shall furnish promptly all documents required for customs drawback purposes, properly completed in accordance with government regulations applicable thereto. Unless otherwise stated in an Order, all customs drawback will be credited to Buyer.
- (c) Other Certificates. Upon request, Seller shall furnish promptly to Buyer certificates of local value added and certificates of origin and/or trade preference in accordance with applicable government regulations.
- (d) Duties and Drawback Rights. The price for Goods includes, and Buyer shall own, all related export and import customs duties and import drawback rights, if any, including rights developed by substitution and rights that may be acquired from Seller's supplier(s) that Seller can transfer to Buyer. Buyer shall include such provisions in all its subcontracts.
- (e) Customs and Country of Origin. For customs purposes, Seller shall prepare, complete, and expedite any and all required forms and submit them to Buyer or Buyer's representative, within 14 days of Seller's receipt of the forms from Buyer or its designee. Seller shall attach to the shipping documents a commercial invoice in duplicate that complies with all applicable export and import regulations. Seller shall provide a declaration of origin and/or trade preference for the Goods being supplied. In the event the Goods being supplied are eligible to receive preferential treatment in the import country, Seller shall provide with each shipment a declaration of origin suitable to the items being supplied. For Goods produced and/or supplied from any point within the NAFTA territory (Canada, Mexico and the United States of America), Seller shall provide a North American Free Trade Agreement Certificate of Origin on U.S. Customs Form 434 or the corresponding Canadian or Mexican form if applicable to the Goods. Unless otherwise agreed, all customs duty and import drawback will be credited to Buyer. Seller also shall transfer to Buyer all customs duty and import drawback rights, if any (including rights developed by substitution and rights which may be

acquired from Seller's suppliers), related to the Goods and which Seller can transfer to Buyer. Seller agrees to inform Buyer promptly of any such rights. Seller shall mark the Goods with their country of origin unless otherwise instructed in writing by Buyer. Seller shall inform Buyer immediately in writing of any change of origin of Goods and supply revised declaration of origin and/or trade preference forms showing the change. Unless otherwise agreed upon, customs clearance shall be the responsibility of the Seller. Seller has no authority to bind Buyer with respect to liability for duties, fees, penalties or other payments or to make representations to customs authorities on its behalf without prior written approval from Buyer. Seller shall indemnify Buyer against liability for, and hold Buyer harmless from, any and all customs duties, fees, penalties or other amounts due with respect to the exportation of materials or components furnished by Buyer to the country of assembly and subsequent importation into any jurisdiction of products assembled in whole or in part with Buyer's materials or components.

24. Customer Requirements.

Where Goods will be sold, or otherwise incorporated into products or services that will be sold, directly or indirectly to an original equipment manufacturer, Seller shall take all necessary actions, provide all necessary information, comply with all applicable requirements, and do all other things as Buyer deems necessary or desirable and within Seller's control to enable Buyer to meet Buyer's obligations under the terms and conditions of any nomination letter, award, purchase order, release, supply agreement or other document or contractual obligation of any kind (collectively, "OE Terms") directly or indirectly applicable to Buyer or its customers from time to time in respect of Buyer's direct or indirect supply of products or services to such original equipment manufacturer or customer, including any obligations relating to: delivery, packaging and labeling, warranties, remedies, indemnification, intellectual property rights, inspections and audits, and replacement and service parts. Buyer may, from time to time, in its sole discretion, provide Seller with information regarding OE Terms that may be applicable to Seller pursuant to this Section, but, in any event, Seller shall be at all times solely responsible for ascertaining the OE Terms that may affect Seller's obligations hereunder and hereby agrees to be bound by such OE Terms as if they applied directly to Seller. In the event of any conflict between applicable OE Terms and an Order, Buyer retains the exclusive right in its sole discretion to have all or any such OE Terms prevail to the extent necessary or desirable to resolve any actual or preserved conflict between such OE Terms and an Order. In addition to any other rights or remedies available to Buyer, if Buyer's customer directed, recommended or otherwise requested that Seller be the vendor for the Goods: (a) Buyer will pay Seller only after and to the extent of, and in proportion to, Buyer's actual receipt of payment from such customer for those items into which such Goods are incorporated; and (b) Buyer shall extend, and Seller shall accept such extension of, applicable pay terms to the same extent Buyer's pay terms with such customer are adjusted from time to time.

25. Force Majeure; Business Continuity.

- (a) **Force Majeure.** Neither Buyer nor Seller shall be liable for a delay or failure to perform directly attributable to a force majeure event, provided that the party seeking to claim this protection must give written notice of the occurrence of a force majeure event and of the possible delay or non-performance caused by it as soon as reasonably practicable after learning of it. A force majeure event is a cause or event that is beyond the reasonable control of a party and that is not attributable to its fault or failure to exercise due care, including, without limitation, acts of God, war, warlike conditions, blockade, embargoes, riots, governmental restriction, labor disturbances (other than those to Seller's own work force that could have been avoided), epidemics, quarantine, fire, flood, earthquake, explosion not caused by a party's negligence, or any other causes beyond the reasonable control of the party providing notice. As used herein, "force majeure events" are strictly limited to fires, floods, natural disasters, official declarations of war, civil riots, government order, law, or actions, or pandemics or epidemics officially declared by the World Health Organization. Delays or non-performance of a subcontractor or supplier of a party are force majeure events only if and only to the extent that the subcontractor or supplier's delay or non-performance is itself attributable to a force majeure event. Force majeure events do not include any failure to comply with applicable law or to take actions that are reasonably necessary to schedule performance in anticipation of any event of which public notice has been given, nor does any change in cost or availability of materials, components or services to Seller based on market conditions, supplier actions, labor

disruptions or contract disputes. Existence and notice of a force majeure event does not limit Buyer's right to terminate for delay or non-performance, but Seller shall not be liable for damages except as specifically provided. Upon notice, Seller may be required to use alternative means of performance, at Seller's cost. Seller shall use best efforts to end the delay or failure and ensure the effects of such force majeure event are minimized and shall resume performance of its obligations as soon as reasonably practicable after the removal of the force majeure event. In the event that Seller's ability to perform is only partially impacted by a force majeure event, such that allocation between Buyer and Seller's other customers is necessary, Seller shall supply Buyer before it supplies any other regular customers who did not have outstanding contracts or orders at the time of the force majeure event and before it supplies its own requirements. Seller shall resolve any open issues or options regarding allocation in favor of Buyer. Seller and Buyer shall share information, confer, seek agreement and otherwise act cooperatively to avoid or mitigate the effects of the force majeure event. Buyer may at its option acquire possession of all finished Goods, work in process and raw materials produced or acquired for the work under an Order, and it also may acquire substitute goods from other suppliers for the duration of the force majeure event and for a reasonable time after, and it may reduce accordingly any quantity of Goods ordered from Seller under an outstanding Release. Notwithstanding the foregoing or anything contained herein to the contrary, if Seller fails to promptly (in no event later than two business days of the occurrence of the force majeure event) provide adequate assurances to Buyer in writing that any delay or failure will not exceed thirty (30) days, or in the event any delay or failure lasts more than thirty (30) days, Buyer may terminate all or any part of an Order without any liability or obligation to Seller. For avoidance of doubt, the rights granted to Seller with respect to excused delays under this Section are intended to limit Seller's rights under theories of force majeure, commercial impracticability, impracticability, or impossibility of performance, or failure of presupposed conditions or otherwise, including any rights arising under Sections 2-615 or 2-616 of the Uniform Commercial Code.

- (b) Business Continuity. Seller shall implement, maintain and periodically test (at least annually) business continuity and disaster recovery procedures sufficient to ensure uninterrupted supply of the Goods, including contingency sourcing, capacity redundancy, and recovery timelines to ensure compliance with Buyer's supply requirements. Upon request, Seller shall provide Buyer with copies or a summary of such plans and shall cooperate with any further Buyer review, audit or inspection of Seller's business continuity and disaster recovery capabilities, including the results of any tests conducted.

26. Applicable Law, Jurisdiction, Waiver of Liens and Sovereignty.

- (a) Applicable Law and Jurisdiction. An Order is to be construed according to the laws of the United States of America and the State of Michigan, including the Uniform Commercial Code and excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any choice of law provisions that require application of any other law, provided that Buyer may elect to apply the law of its domicile, for Orders issued outside of North America. The forum and venue for any legal or equitable action or proceeding arising out of, or in connection with, an Order issued in North America (U.S., Canada, and/or Mexico) shall lie in the appropriate federal or state courts in the State of Michigan, and Seller specifically waives any and all objections to such jurisdiction and venue. The forum and venue for any legal or equitable action or proceeding arising out of, or in connection with, an Order issued in Europe shall lie in the appropriate court in Germany, and Seller specifically waives any and all objections to such jurisdiction and venue. The forum and venue for any legal or equitable action or proceeding arising out of, or in connection with, an Order issued outside of North America or Europe, (including Asia) shall lie in the appropriate court of the country from which the Order was issued, and Seller specifically waives any and all objections to such jurisdiction and venue.
- (b) Liens. Seller warrants that no lien shall be filed by Seller or anyone claiming under or through Seller against Buyer, the Goods, the Furnished Property, the site for delivery or installation of the Goods, or Buyer's customer, for materials, labor, services, equipment or goods furnished as part of the Goods or Furnished Property. Seller waives any right it may have pertaining to, and agrees not to file or otherwise assert or prosecute or suffer or permit, any mechanic's, storage, materialman's, or other type of liens to be filed or continued against any property of Buyer. Seller shall insert the prior sentence in any lower tier

subcontract or purchase order for labor, equipment or materials furnished. If any such lien shall be filed by Seller's direct subcontractor, or any of its lower tier subcontractors, Seller shall take any and all steps necessary for the immediate release and discharge of such lien, in the manner required by applicable law, upon demand by Buyer. Seller shall secure and furnish to Buyer and its customer, upon request, a waiver of lien from each subcontractor under it.

- (c) Joinder. If a claim arises under or related to an Order or the furnishing of Goods by Seller to Buyer, by or against Seller, which is related to a similar claim by or against Seller in another litigation or in an arbitration, Seller irrevocably consents on the request of Buyer to the resolution of such claims arising under or related to an Order by or against Seller in such litigation or arbitration, which shall be binding on the parties and enforceable in a court of record.
- (d) Service of Process. If Seller does not maintain a registered agent or office in the United States, Buyer hereby irrevocably appoints the Secretary of State of the state whose law applies as Seller's agent to receive process in any proceeding arising under or related to an Order.
- (e) Limitations of Actions. No claims against Buyer can be brought as maintained unless filed in the court of competent jurisdiction as identified in an Order within one year of the date in which the claim accrued as determined under the Uniform Commercial Code.

27. Arbitration.

If Buyer elects, any controversy or claim arising out of or relating to these Terms or an Order shall be settled by arbitration before one or three arbitrators (at Buyer's election) in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall be held in Wayne County or Oakland County, Michigan. In rendering an award, the arbitrators are bound by the terms of an Order and must apply the substantive law of Michigan other than its principles of choice of law. If the controversy or claim involves a common issue of fact or law in another arbitration procedure involving the same or different parties, Seller consents to a joinder of all relevant proceedings if requested by Buyer. Each party has the right before, during or separately from any arbitration to seek and obtain from the appropriate court provisional remedies such as attachment, claim and delivery, preliminary injunction, replevin, etc., to avoid irreparable harm, maintain the status quo or preserve the subject matter of the arbitration. All arbitration filing fees and the expenses and fees of the arbitrator(s) shall be borne equally by the parties. The award may be enforced in any circuit court or other court of competent jurisdiction. The arbitration proceedings and award shall be confidential.

28. Publicity.

Without obtaining the prior written consent of Buyer, Seller shall not in any manner advertise or publish the fact that Seller has contracted to furnish Goods to Buyer (or Buyer's customers), or use any trademark or trade name of Buyer (or Buyer's customers) in Seller's advertising or promotional materials. Seller shall not disclose or imply in its marketing that any of Seller's other products are equivalent to the Goods purchased by Buyer. If Seller breaches this Section, Buyer shall have the right, among its other remedies, to cancel the undelivered portion of any Goods covered by an Order and shall not be required to make further payments except for conforming Goods delivered or services rendered prior to cancellation.

29. Ethical Standards.

Seller shall not: (i) give or offer to give any Gift or Benefit to Buyer's Employees; (ii) solicit or accept any information, data, services, equipment or commitment from Buyer's Employees unless it is (a) required under a contract between Buyer and Seller, (b) made pursuant to a written disclosure agreement between Buyer and Seller, or (c) specifically authorized in writing by an officer or Buyer; (iii) solicit or accept Favoritism from Buyer's employees; (iv) enter into any outside business relationship with Buyer's Employees or Suppliers without full disclosure to and prior approval of Buyer's management; or (v) provide to or accept from Suppliers any information regarding Buyer or its business. For the purposes of this Section: "Employee" includes members of the employee's immediate family and household, plus any other person who is attempting to benefit from his or her relationship to the employee; "Seller" includes all Employees and agents of Seller; "Gift or Benefit" includes

money, goods, services, discounts, favors and the like in any form but excluding items with a value of \$25.00 or less; "Supplier" includes prospective, current and past suppliers; and "Favoritism" means partiality in promoting the interest of Seller over that of other suppliers. Any breach by Seller of its obligations under this Section shall constitute a material default by Seller of every contract and Order with Buyer and may further result in Seller's debarment from doing business with Buyer.

30. Payments to Third Party Representatives.

Seller represents and warrants that Seller has not and will not pay any third parties any commissions, fees, or other compensation for acquiring or attempting to acquire an Order without providing Buyer with written notice thereof at the time an Order is solicited and all such payments shall not violate any state, federal or provincial law.

31. Entire Agreement and Modifications.

An Order is intended by the parties as a complete and exclusive statement of the terms of their agreement. It supersedes all prior agreements, written or oral issued by any entity listed on the attached [Exhibit 1](#) that is part of the Leggett & Platt Automotive Group branded as Leggett Dynamics. There are no understandings, inducements, commitments, conditions, representations or warranties of any kind, whether direct, indirect, collateral, express or implied, oral or written, to Seller from or on behalf of Buyer other than as contained in these Terms or otherwise in an Order. No course of prior dealings between the parties and no usage of the trade may be used by Seller to supplement or explain any term used in an Order. All modifications must be in a writing signed by Seller and Buyer, except as otherwise provided in an Order.

32. Waiver.

The failure of either party at any time to require performance by the other party of any provision of an Order shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver by either party of a breach of any provision of an Order constitute a waiver of any succeeding breach of the same or any other provision. Payment or performance by Buyer shall not constitute a waiver of any breach, right or remedy.

33. Relationship of Parties.

Seller and Buyer are independent contracting parties and nothing in an Order shall make either party the agent, joint venturer or legal representative of the other for any purpose whatsoever, or grant either party any authority to assume or to create any obligation on behalf of or in the name of the other. Although third parties may be referenced, there are no third party beneficiaries to an Order, except as specifically provided.

34. Severability.

If any of these Terms or another term in any Order is invalid or unenforceable under any statute, regulation, ordinance/by-law, or any other rule of law, such term shall be reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance/by-law, order or rule, and the remaining provisions of an Order shall remain in full force and effect. Any declaration of unenforceability of a provision hereof shall be as narrow as possible and shall not void the Order or any other provision of the Order.

35. Miscellaneous.

Any notice, communication or statement required or permitted to be given in connection with an Order shall be in writing and deemed to have been sufficiently given when delivered in person or by registered or certified mail, postage prepaid, return receipt requested, by overnight courier service, or by email (with delivery receipt requested) with a copy to legal@leggett.com, addressed to the address of the party specified on the face of an Order. References to "Order" shall be deemed to include these Terms unless context provides otherwise. Headings are solely for the purpose of reference, are not part of the agreement of the parties, and shall not in any way affect the meaning or interpretation hereof. In the event of a conflict between the Terms and any other

Purchasing Document, except for the face of an Order, these Terms shall control. An Order, including these Terms, shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. Seller shall pay Buyer's reasonable attorneys' fees, costs, and expenses incurred in enforcing any provision of an Order. Without limiting any specific survival provision set forth herein, these Terms and Seller's obligations hereunder shall survive and continue in full force and effect following the expiration or termination of an Order.

Exhibit 1

Legal entities comprising the Leggett & Platt, Incorporated Automotive Group branded as Leggett Dynamics:

1. Schukra Berndorf GmbH
2. Pullmaflex Benelux NV
3. L and C Windsor Cables Ltd.
4. Leggett & Platt Canada Co. (applicable only to the entity's automotive branches)
5. Changshu L&V Automotive Motion Co. Ltd.
6. Guangdong Zhaoqing L&V Co. Ltd.
7. L&C Changsha Cable Industries Ltd.
8. Leggett & Platt International Trade (Shanghai) Co., Ltd.
9. Wuxi Leggett & Platt-Huaguang Automobile Parts Co. Ltd.
10. L&P Automotive Europe GmbH
11. L&P Automotive Europe Headquarters GmbH
12. L&P Hungary Ltd.
13. Leggett & Platt Automotive India Private Limited
14. L&P Automotive Japan Ltd.
15. L&P Automotive (Korea) LLC
16. L&P Automotive Luxembourg S.a.r.l. (applicable only to the entity's automotive branches)
17. L&V 5 Mexico, S. de R.L. de C.V.
18. Leggett & Platt Automotive Group de Mexico, S. de R.L. de C.V. (applicable only to the entity's automotive branches)
19. Pullmaflex International Limited
20. Pullmaflex UK Limited
21. Leggett & Platt International Service Corporation (applicable only to the entity's automotive branches)
22. Leggett & Platt, Incorporated (applicable only to purchases made by the automotive group/dynamics branches only)