

ANDERSON DEVELOPMENT COMPANY

GENERAL TERMS AND CONDITIONS FOR THE SALE OF GOODS

1. Applicability.

(a) These terms and conditions of sale (these “Terms”) are the only terms that govern the sale of the goods (“Goods”) by Anderson Development Company (“Seller”) to any purchaser of Goods (“Buyer”). Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods covered hereby (“Master Agreement”), the terms and conditions of that contract shall control to the extent they are inconsistent with these Terms.

(b) Except in the event of a Master Agreement, the accompanying quotation, order acknowledgment, or invoice issued by Seller (the “Sales Confirmation”) and these Terms (collectively, this “Agreement”) constitutes the entire agreement between the parties, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. This Agreement prevails over any of Buyer’s general terms and conditions of purchase regardless of whether or when Buyer has submitted its purchase order or such terms. Seller expressly rejects Buyer’s general terms and conditions of purchase, and fulfillment of Buyer’s order does not constitute acceptance of any of Buyer’s terms and conditions and does not serve to modify or amend these Terms.

2. Delivery.

(a) The Goods will be delivered within a reasonable time after the receipt of Buyer’s purchase order, subject to availability of materials necessary to produce the Goods. Seller shall not be liable for any delays, loss or damage in transit.

(b) Unless otherwise specified in Seller’s quotation, Seller shall deliver the Goods to Buyer at Seller’s principal place of business (the “Delivery Point”) using Seller’s standard methods for packaging such Goods. Buyer shall take delivery of the Goods within two (2) days after the Goods have been made available for delivery at the Delivery Point. Buyer shall be responsible for all loading costs and provide equipment and labor reasonably required for receipt of the Goods at the Delivery Point.

(c) Seller may, in its sole discretion, without liability or penalty, make available partial orders of Goods to Buyer. Each such partial order will constitute a separate sale, and Buyer shall pay for the quantities made available whether such quantities are in whole or partial fulfillment of Buyer’s purchase order.

(d) If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller’s notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Goods shall nonetheless pass to Buyer; (ii) the Goods shall be deemed to

have been delivered; and (iii) Seller, at its option, may store the Goods until Buyer picks them up, whereupon Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance costs).

3. Non-Delivery.

(a) The quantity of any installment of Goods made available to Buyer at the Delivery Point as recorded by Seller is conclusive evidence of the quantity received by Buyer on delivery unless Buyer can provide conclusive evidence proving the contrary.

(b) The Seller shall not be liable for any non-delivery of Goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the non-delivery within ten (10) days of the date when the Goods would in the ordinary course of events have been received.

(c) Any liability of Seller for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or adjusting the invoice respecting such Goods to reflect the actual quantity delivered.

4. Quantity. If Seller delivers to Buyer a quantity of Goods of up to ten percent (10%) more or less than the quantity set forth in the Sales Confirmation, Buyer shall not be entitled to object to or reject the Goods or any portion of them by reason of the surplus or shortfall and shall pay for such Goods the price set forth in the Sales Confirmation as adjusted on a pro rata basis.

5. Shipping Terms. Unless otherwise specified in Seller's quotation, delivery shall be made FOB at Seller's principal place of business.

6. Title and Risk of Loss. Title and risk of loss pass to Buyer upon delivery of the Goods to the Delivery Point. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title, and interest of Buyer in, to, and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the Michigan Uniform Commercial Code.

7. Amendment and Modification. These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of each party.

8. Inspection and Rejection of Nonconforming Goods.

(a) Buyer shall inspect the Goods within five (5) days of receipt ("Inspection Period"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Nonconforming Goods (as defined below) during the Inspection Period and furnishes such written evidence or other documentation describing such nonconformity as reasonably required by Seller. "Nonconforming Goods" means only the following: (i) the

Goods shipped are different than identified in Buyer's purchase order; or (ii) the label or packaging for such Goods incorrectly identifies its contents.

(b) If Buyer timely notifies Seller of any Nonconforming Goods, Seller shall, in Seller's sole discretion, (i) replace such Nonconforming Goods with conforming Goods, or (ii) credit or refund the Price (as defined below) for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to Seller's facility located at 1415 E. Michigan Street, Adrian, Michigan 49221 or such other location as Seller designates in writing. If Seller exercises its option to replace Nonconforming Goods, Seller shall, after receiving Buyer's shipment of Nonconforming Goods, deliver to Buyer, at Buyer's expense and risk of loss, the replaced Goods to the Delivery Point.

(c) Buyer acknowledges and agrees that the remedies set forth in Section 8(b) are Buyer's exclusive remedies for the delivery of Nonconforming Goods. Except as provided under Section 8(b), all sales of Goods to Buyer are made on a one-way basis and Buyer has no other right to return Goods to Seller purchased under this Agreement.

9. Price.

(a) Buyer shall purchase the Goods from Seller at the price for such Goods (the "Price") set forth in Seller's quotation or price update letter issued to Buyer. If the Price is increased by Seller before delivery of the Goods to the Delivery Point, then these Terms shall be construed as if the increased Price was originally inserted herein, and Buyer shall be billed by Seller on the basis of such increased Price.

(b) All Prices are exclusive of, and Buyer shall be responsible for, all sales, use, value added, excise, import, export, customs, and other similar taxes, duties, tariffs, fees, or charges of any kind or nature imposed on such Goods in connection with the sale, delivery or use of the Goods, and any increases or new impositions thereof after the date of Seller's quotation or order acknowledgment, unless explicitly proposed in the Seller's quotation. Buyer shall also bear all costs arising from any change in applicable laws, regulations, or governmental requirements (including but not limited to environmental, health, safety, trade or tariff laws) occurring after the date of this Agreement that affect Seller's costs of manufacturing, supplying or delivering the Goods.

10. Payment Terms.

(a) Unless otherwise specified in Seller's quotation, Buyer shall pay all invoiced amounts due to Seller within thirty (30) days from the date of Seller's invoice. Buyer shall make all payments hereunder in US dollars in any manner designated by Seller.

(b) Buyer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, actual attorneys' fees and costs. In addition to all other remedies available under these Terms or at law (which Seller does not waive by

the exercise of or failure to exercise any rights hereunder), Seller shall be entitled to suspend the delivery of any Goods if Buyer fails to pay any amounts when due.

(c) Buyer shall pay all amounts invoiced by Seller under this Agreement in full and when due without any abatement, set-off, counterclaim, deduction or withholding of any kind, whether on account of any claim Buyer may have against Seller, any alleged breach or non-performance by Seller, any bankruptcy, insolvency or other proceeding involving Seller, or otherwise. Buyer's obligation to make timely and complete payment shall be absolute and unconditional, and Buyer shall not assert any right of set-off, recoupment, or withholding in connection therewith. Any claim or dispute asserted by Buyer shall be pursued separately and independently of Buyer's payment obligations under this Agreement.

11. Limited Warranty.

(a) As of the date of Seller's delivery of the Goods to the Delivery Point, Seller warrants to Buyer only that such Goods conform in all material respects to any specifications set forth in Seller's specification for the product, which are defined at the Seller's sole discretion .

(b) Products manufactured by a third party ("Third-Party Products") may constitute, contain, be contained in, incorporated into, attached to, or packaged together with, the Goods. Third-Party Products are not covered by the warranty in Section 11(a).

(c) EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 11(A), SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS OR THIRD-PARTY PRODUCTS, INCLUDING ANY (I) WARRANTY OF MERCHANTABILITY; (II) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (III) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

(d) The Seller shall not be liable for a breach of the warranty set forth in Section 11(a) unless: (i) Buyer gives written notice of the defect, reasonably described, to Seller within ten (10) days of the time when Buyer discovers or ought to have discovered the defect; (ii) Seller is given a reasonable opportunity after receiving the notice to examine such Goods and Buyer (if requested to do so by Seller) returns such Goods to Seller's place of business at Seller's cost for the examination to take place there; and (iii) Seller, acting reasonably, verifies Buyer's claim that the Goods are defective.

(e) The Seller shall not be liable for a breach of the warranty set forth in Section 11(a) if: (i) Buyer makes any further use of such Goods after giving such notice; (ii) the defect arises because Buyer failed to follow Seller's oral or written instructions as to the storage, installation, time for use or maintenance of the Goods; or (iii) Buyer alters or repairs such Goods without the prior written consent of Seller. Furthermore, Seller shall

have no liability for any nonconformance caused by misuse, neglect, alteration, mishandling or improper storage, or by accident or damage after delivery. No warranty is made with respect to prototypes, samples or pre-production Goods.

(f) With respect to any Goods covered under Section 11(a), and subject to Section 11(d) and Section 11(e), Seller shall, in its sole discretion, either: (i) repair or replace such Goods (or the defective part) or (ii) credit or refund the price of such Goods at the pro rata contract rate provided that, if Seller so requests, Buyer shall, at Seller's expense, return such Goods to Seller.

(g) THE REMEDIES SET FORTH IN SECTION 11(F) SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 11(A).

12. Limitation of Liability. To the greatest extent permitted by applicable law:

(a) IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR GOODS SOLD HEREUNDER WITHIN THE PRIOR TWELVE (12) MONTHS.

13. Insurance and Indemnity. Buyer shall defend, indemnify and hold Seller, its shareholders, directors, officers, employees, agents, consultants and representatives harmless from and against any claims, actions, suits, liabilities, obligations and expenses (including actual attorneys' and other professional fees) relating to, arising out of or resulting from the use of the Goods other than in compliance with the Buyer's stated use of the Goods at the time of quotation. In support of the foregoing indemnity, during the term of this Agreement and for a period of twelve (12) months thereafter, Buyer shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than \$2,000,000 per occurrence with financially sound and reputable insurers and shall name Seller as an additional insured thereon. Upon Seller's request, Buyer shall provide Seller with a certificate of insurance from Buyer's insurer evidencing the insurance coverage specified in these Terms. Buyer shall provide Seller with thirty (30) days' advance

written notice in the event of a cancellation or material change in Buyer's insurance policy. Except where prohibited by law, Buyer shall require its insurer to waive all rights of subrogation against Seller's insurers and Seller.

14. Compliance with Law. Buyer shall comply with all applicable laws, regulations and ordinances. Buyer shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement. Buyer shall comply with all export and import laws of all countries involved in the sale of the Goods under this Agreement or any resale of the Goods by Buyer. Buyer assumes all responsibility for shipments of Goods requiring any government import clearance. Seller may terminate this Agreement if any governmental authority imposes on Seller any antidumping or countervailing duties or any other penalties with respect to the Goods.

15. Termination. In addition to any remedies that may be provided under these Terms, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (a) fails to pay any amount when due under this Agreement; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

16. Waiver. No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

17. Confidential Information. All non-public, confidential or proprietary information of Seller, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief without the posting of a bond for any violation of this Section. This Section does not apply to information that is: (a) in the public domain (other than as a result of a violation of this Section by Buyer, its employees, agents or contractors); (b) that Buyer can demonstrate by reasonable evidence was known to Buyer at the time of disclosure without restriction of any kind; or (c) lawfully obtained by Buyer from a third party that was under no duty of confidentiality with respect to such information.

18. Force Majeure. No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations of Buyer to make payments to Seller hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("Impacted Party") reasonable control, including, without limitation,

the following force majeure events (“Force Majeure Event(s)”): (a) acts of God; (b) flood, fire, earthquake, other potential disasters or catastrophes, such as epidemics or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law or actions; (e) embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or slowdowns, or other industrial disturbances; (h) shortage of adequate raw materials, power or transportation facilities; (i) other similar events beyond the reasonable control of the Impacted Party. The Impacted Party shall give notice within ten (10) days of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use commercially reasonable efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party’s failure or delay remains uncured for a period of thirty (30) consecutive days following written notice given by it under this Section 18, either party may thereafter terminate this Agreement upon ten (10) days’ written notice.

19. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller, which it may grant or withhold in its sole discretion. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this Agreement.

20. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

21. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Terms.

22. Governing Law. All matters arising out of or relating to this Agreement are governed by and shall be construed in accordance with the internal laws of the State of Michigan without giving effect to any choice or conflict of law provision or rule (whether of the State of Michigan or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Michigan.

23. Submission to Jurisdiction. Any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America within the jurisdiction of the United States District Court for the Eastern District of Michigan or the courts of the State of Michigan located in the City of Adrian and County of Lenawee, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

24. Notices. All notices, requests, consents, claims, demands, waivers and other communications required or permitted hereunder (each, a “Notice”) shall be in writing and addressed to the parties at the addresses set forth on the face of the Sales Confirmation or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

25. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

26. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Insurance and Indemnity, Compliance with Laws, Confidential Information, Governing Law, Submission to Jurisdiction and Survival.

