

AM GENERAL LLC

South Bend, Indiana

Terms and Conditions of Purchase
For

COMMERCIAL MATERIAL FOR VEHICLE PRODUCTION GROUP VEHICLE PROGRAMS

1. Applicability of Terms and Conditions. AM General LLC (the "Purchaser") and the Vehicle Production Group, LLC ("VPG") have entered into certain agreements pursuant to which Purchaser will procure component parts and perform certain services for vehicles to be designed, marketed and sold by VPG (the "VPG Vehicle Programs"). These *Terms and Conditions of Purchase For Commercial Material For Vehicle Production Group Vehicle Programs* (the "Terms and Conditions") have been developed specifically for goods and services purchased by the Purchaser for the VPG Vehicle Programs. These Terms and Conditions apply to Purchaser's purchase of all goods and/or services from Seller described in each order (collectively, "Goods"). The term "Goods" includes, without limitation, raw materials, components, intermediate assemblies, end products and all services, whether or not performed in connection with the foregoing terms. These Terms and Conditions are incorporated into and constitute a part of each order.

2. Acceptance. Seller has read and understands this order and agrees that upon either (a) Seller's written acceptance or (b) commencement of any work or performance of any services under this order shall constitute Seller's acceptance of the terms and conditions of this order only. All terms and conditions which are different from or in addition to this order are expressly rejected by Purchaser and shall not become a part of this order. The terms and conditions set forth herein may not be modified or amended without the written consent of Purchaser. No officer, employee or other representative of Purchaser or VPG is authorized to make any oral contract of commitment for the purchase of materials or to modify or change the terms and conditions of this order unless such modification or change is in writing and approved by Purchaser.

3. Duration. Unless this order specifies otherwise, the initial term of this order begins on the effective date shown on the order (the "Effective Date") and continues for twelve months after the Effective Date (the "Initial Term"). Thereafter, the order will automatically renew for successive twelve month terms (each, a "Renewal Term") unless Purchaser provides Seller with a notice of non-renewal at least sixty (60) days prior to the end of the Initial Term or any Renewal Term.

4. Price; Payment Terms; Early Payment Discount. Prices for the Goods described in this order are fixed as specified in the order and shall constitute the total price for the manufacture and delivery of the Goods. Seller shall not be entitled to adjustments in the purchase price and shall not add charges of any type to an invoice without prior written consent from Purchaser, which consent would constitute an amendment to this order. Under no circumstances will Purchaser be liable for amounts owing to Seller by VPG or any third party for tooling, molds, equipment or other materials used in production of the Goods. Prices may be subject to decreases if specified elsewhere in this order. No charge for packaging, crating, or boxing will be allowed, unless specified on the face of this order. Seller represents and warrants to Purchaser that the price charged to Purchaser complies with all applicable governmental laws and regulations in effect at the time of quotation, sale, and delivery. Unless otherwise specified on the face of this order, the payment period shall be "net 30" and calculated from the invoice date. Purchaser shall be entitled to any discounts allowable by Seller for prompt payment even though Purchaser is unable to make payment within the time limits set by Seller where such failure is due to a Force Majeure event as defined under this order.

5. Quantity; Delivery. Unless this order (or a separate written agreement executed by Purchaser's authorized representative) requires Seller to manufacture, ship, and/or provide only a specified quantity of Goods, this order is a requirements contract under which Seller is required to supply Purchaser's requirements. Purchaser's requirements are determined by the needs of its customer, VPG, and market, economic, or other related conditions. Purchaser shall not be required to make payment for Goods delivered to Purchaser which are in excess of quantities specified in Purchaser's Releases.

Time of delivery of this order is of the essence. Purchaser will issue schedules and/or releases specifying the quantities needed, delivery locations, and shipment dates for the Goods (each a "Release" and together the "Releases"). Deliveries must be made both in quantities and at times specified in Purchaser's Releases. Seller shall maintain at its expense and risk a quantity of safety stock of finished Goods and materials at the latest design level. Purchaser may change the rate or timing of scheduled shipments or direct temporary suspension of scheduled shipments, neither of which shall entitle Seller to a modification of the price for Goods or services covered by this order. For orders of Goods where quantities and/or delivery schedules are not specified, Seller shall deliver Goods in such quantities and times as Purchaser may direct in subsequent Releases. Seller shall promptly furnish all documents and other information required in accordance with customs, tariffs or other applicable governmental regulations properly completed including, but not limited to, customs documentation and certificates of origin. Purchaser reserves the right to cancel this order without liability and without waiver of any other remedies provided herein or under applicable law if delivery is not effected as specified herein or in the Releases.

Title to Goods and risk of loss shall pass to Purchaser at the time and place of delivery set forth in this order.

6. Packaging. All Goods shall be appropriately packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation costs as outlined by Purchaser's third-party logistics provider. Packing slips identifying order number, delivery schedule number and part number must accompany each shipment. Seller shall mark Goods, packaging and packing as instructed by Purchaser and otherwise in accordance with applicable law and standards of the industry. Markings shall be in English unless this order specifies otherwise.

7. Nonconforming Goods. Materials purchased are subject to Purchaser's inspection and approval at destination; provided, however, Seller acknowledges that Purchaser may not perform an inspection of incoming Goods and waives any right to require Purchaser to conduct such inspections. If rejected, material will be returned for credit, replacement or reworking at Seller's risk, and all handling and transportation expenses both ways shall be assumed by Seller. No material returned as defective shall be replaced or reworked without authorization from Purchaser. Payment for material on this order before inspection shall not constitute acceptance of the Goods, or limit or impair Purchaser's right to assert any legal or equitable remedy, or relieve Seller's responsibility for latent defect.

If Goods are reasonably determined to fail to conform to order specifications, Purchaser, in its sole discretion, may request Seller at Seller's own expense and risk to replace or rework the nonconforming Goods. If Goods are in the production process of Purchaser or VPG, Seller shall have Goods replaced or reworked at Seller's own expense and risk by Purchaser, VPG or a third party.

Seller shall comply with all quality standards, regulations and legal requirements associated with the Goods, and any specified customer requirements, including requirements necessary to timely

complete Purchaser's Product Part Approval Process. Seller shall perform inspections before delivery and shall certify inspection results in the manner requested by Purchaser. Seller shall maintain complete records of all inspection work as to a particular Good for a ten-year period. Seller shall analyze and review Purchaser's specifications and drawings of the Goods before acceptance of this order and acknowledges that Purchaser's specifications and drawings are sufficient and adequate to manufacture the Goods in compliance with this order. Purchaser may choose to inspect the Goods in process at facilities of Seller or its lower-tier suppliers. Any inspection that is conducted by Purchaser or its Customer shall not constitute acceptance of the Goods and does not relieve Seller of any liability or warranty for the Goods.

8. Warranty. Seller expressly warrants that all Goods covered by this order will in all respects conform to the specifications, drawings, samples or other descriptions furnished or specified by Purchaser or VPG. Seller warrants to Purchaser, its successors, and VPG that all Goods furnished will be free from defects, latent or otherwise in material and workmanship. In addition, Seller acknowledges that it is aware of Purchaser's and VPG's intended use for the Goods and expressly warrants that all Goods will be fit and sufficient for the purposes intended by Purchaser and VPG. All warranties provided hereunder will be effective for the longer of (a) the period provided by applicable law or (b) the warranty period provided by Purchaser to VPG.

9. Intellectual Property. To the extent that the Goods delivered hereunder are not manufactured pursuant to the designs originated solely by Purchaser or VPG, Seller guarantees that the sale and/or use of any or all Goods delivered hereunder will not infringe any United States or foreign patents, trademarks, or copyrights. Seller further agrees to indemnify, hold harmless, and defend at Seller's own expense, Purchaser and VPG against any and all claims of patent, trademark or copyright infringement or of unfair competition arising out of the sale, cataloging, marketing, packaging or advertising of Goods sold by Seller, including, but not limited to, claims based on the "Lemelson" patent claims related to U.S. Patent Nos. 5,351,078; 5,249,045; 5,283,641; 5,119,190; 5,067,012; 5,023,714; 4,984,073; 4,979,029; 4,511,918; 4,338,626; 4,148,061; 4,118,730; 4,969,038; 5,119,205; 5,128,753; 5,114,421. Seller further agrees to indemnify, hold harmless and defend, at Seller's own expense, Purchaser and VPG against all liens, security interests, and/or encumbrances whatsoever asserted against such Goods, including claims to said merchandise, asserted by others. To the extent that the Goods delivered hereunder are manufactured pursuant to the designs originated by Purchaser or VPG, Seller hereby assigns to Purchaser and VPG, without reservation, all patent rights, copyrights and trademark rights relating to the Goods and all related documents, models, computer drawings and other electronic expression, photographs, drawings, specifications or other materials (the "Protected Materials"). Purchaser grants to Seller a non-exclusive license to reproduce the Protected Materials for purposes related directly to Seller's performance of its obligations to Purchaser and for Seller's archival records. No other Protected Materials may be reproduced for any other purpose without the express written permission of Purchaser or VPG, as applicable. This non-exclusive license shall terminate immediately upon termination of the Purchase order.

10. Legal / Regulatory Compliance. Seller agrees to comply with all federal, state and local laws, executive orders, rules, regulations and ordinances which may be applicable to Seller's performance of its obligations under this order, and to certify its compliance in writing at Purchaser's request.

Seller warrants that the Goods will be in compliance with applicable product safety and environmental regulations. Seller warrants that each chemical substance contained in the Goods is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration in conjunction with the Toxic Substances Control Act, as amended. The Goods shall be in compliance with the applicable sections of the Federal Consumer Product Safety

Act, as amended, and the Federal Hazardous Substances Act, as amended, and shall not be considered hazardous under any state or federal law except as clearly stated on the shipping and storage containers.

Seller shall indemnify and hold Purchaser harmless from and against any liability claims, demands or expenses (including attorney's or other professional fees) arising from or relating to Seller's noncompliance with all applicable laws and regulations, including for improper or illegal usage or disposition of hazardous goods and substances.

11. Ingredients Disclosure; Special Warnings and Instructions. If requested by Purchaser, Seller shall promptly furnish to Purchaser in such form and detail as Purchaser may direct: (a) a list of all ingredients in the goods; (b) the amount of all ingredients; and (c) information concerning any changes in or additions to such ingredients. Before and with the shipment of goods, Seller agrees to furnish to Purchaser sufficient warning and notice in writing (including appropriate labels on the Goods, containers and packing and/or provision of applicable materials safety data sheets) 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, Purchaser and their respective employees of how to exercise that measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Goods, containers and packing shipped to Purchaser. Such Seller shall also provide Purchaser with any information necessary to allow Purchaser to comply with any of its reporting processes.

12. Proprietary Information. Information, including, but not limited to, technical, process or economic information derived from drawings, specifications, blueprints or other documents or data, including copies furnished by Purchaser in connection with a Purchase order ("Confidential Information"), submitted at any time by Seller to Purchaser relating to Goods or services covered by this order are deemed not to be submitted in confidence unless otherwise specifically agreed to in writing. Seller shall keep Confidential Information confidential and shall not disclose or use, directly or indirectly, such Confidential Information for the benefit of Seller or any other third party except with Purchaser's prior written consent as required for performance of this order. Any restrictive markings affixed upon any such Information furnished to Purchaser shall be of no force or effect, may be modified, removed or ignored by Purchaser or VPG without any liability to Seller and the information may be used by Purchaser or VPG in any way in the conduct of their businesses. Seller's sole rights with respect to use of such information by Purchaser, VPG or their successors, subsidiaries, licensees, affiliates, or parents shall be determined only by valid pre-existing patent rights of Seller as related to the manufacture, use or sale of Goods or services covered by this order. Seller agrees to promptly notify Purchaser of any pre-existing patents or any other form of protection which Seller may hold or know of which relates to the goods or services to be provided under this purchase order.

In connection with the development of any ideas, inventions, improvements or discoveries, including all related information and know-how, related to the Goods or services to be provided under this order and for which Purchaser or VPG has provided or is to provide support to Seller in the form of funding, including, but not limited to, payments in whole or part for prototype components or tooling, designing, testing or consulting, Purchaser shall automatically be entitled to and Seller agrees to and hereby assigns all rights, title and interest to such ideas, inventions, improvements and discoveries to Purchaser (unless otherwise specifically agreed to in writing and in such event Purchaser shall be entitled to at least a nonexclusive, paid up, irrevocable, worldwide right and license including the right to fully sublicense third parties, including the U.S. Government for all Governmental purposes to practice and have practiced for its purpose such invention). Seller agrees to promptly notify Purchaser in writing of any such idea, invention, improvement or discovery so developed. The provisions of this clause shall survive termination of fulfillment of this order and shall inure to the benefit of Purchaser's successors, subsidiaries, licensees, affiliates, or parents.

13. Changes. Purchaser shall have the right at any time, by written direction stating it constitutes an amendment, modification, or change to this order, to (a) suspend all or any portion of Seller's work or (b) to make changes within the general scope of this order that affect any one or more of the following:

- (i) drawings, designs, specifications or quantities of materials or services to be provided hereunder;
- (ii) the statement of work or description of services;
- (iii) method of shipment or packing;
- (iv) the time or place of performance, inspection, delivery or acceptance of materials or of services; and
- (v) the amount of Purchaser-furnished or VPG-furnished property or facilities.

If any such suspension or change causes a change in the cost of, or the time required for, performance of this order, an equitable adjustment shall be made in the price or delivery schedule or both, and this order shall be modified in writing accordingly. Any claim by Seller for such an adjustment must be made within ten (10) days from the date of receipt of a written order from Purchaser directing such a suspension or change.

Nothing in this clause, including any disagreement with Purchaser as to any equitable adjustment, shall excuse Seller from proceeding with this order as changed. Any disagreement between the parties arising out of this clause shall be resolved in accordance with clause 20 of this order.

Information, advice, approvals, or instructions given by Purchaser's or VPG's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Purchaser's and Seller's rights or obligations and shall not be actions within the meaning of this "Changes" clause.

14. Service Parts. Seller will sell to Purchaser goods necessary for it to fulfill its current model service and replacement parts requirements at the price(s) set forth in the order. If the goods are systems or modules, Seller will sell the components or parts that comprise the system or module at price(s) that shall not, in the aggregate, exceed the price of the system or module less assembly costs. During the 10-year period after Purchaser completes current model purchases, or such longer period as prescribed by applicable law, Seller will sell goods to Purchaser to fulfill Purchaser's past model service and replacement parts requirements. Unless otherwise agreed to by Purchaser, the price(s) during the first 3 years of this period shall be those in effect at the conclusion of current model purchases. For the remainder of this period, the price(s) for goods shall be as agreed to by the parties. When requested by Purchaser, Seller shall make service literature and other materials available at no additional charge to support Purchaser's service-part sales activities.

15. Training Documents and Owner's Manuals. Seller will cooperate with Purchaser in the development of owner's manuals and technical training documents where applicable.

16. Force Majeure Any delay or failure on the part of either party to perform hereunder shall be excused if and to the extent that such delay or failure is caused by circumstances beyond the control and without the fault or negligence of either party, including, acts of God or of the public enemy, acts of the Government (including, but not restricted to, any preference, priority or allocation order), fires, floods, epidemics, quarantine, restrictions, strikes, freight embargoes, unusually severe

weather, and delays of a subcontractor due to such causes, provided that Seller shall give Purchaser prompt notice of any cause that will result in such delay (and the anticipated duration) within five (5) days. During the period of such delay or failure to perform by Seller, Purchaser, at its option, may purchase Goods from other sources and reduce its Releases to Seller by such quantities, without liability to Seller, or have Seller provide the Goods from other sources in quantities and at times requested by Purchaser and at the price set forth in this order. If requested by Purchaser, Seller shall, within five (5) days of such request, provide adequate assurances that the delay will not exceed thirty (30) days. If the delay lasts more than thirty (30) days or Seller does not provide adequate assurance (within a commercially reasonable time not to exceed ten (10) days from the date of the request) that the delay will cease within thirty (30) days, Purchaser may immediately cancel this order without liability.

17. Insolvency. Purchaser may forthwith cancel the contract resulting from the acceptance of this order without liability to Seller in the event of the happening of any of the following or comparable event: (a) Seller's insolvency; (b) Seller's inability to promptly provide Purchaser with adequate and reasonable assurance of Seller's financial and operational capability to perform timely any of Seller's obligations under this order; (c) Seller's filing of a voluntary petition in bankruptcy; (d) the filing of any involuntary petition to have Seller declared bankrupt provided it is not vacated within thirty (30) days from the date of filing; (e) the appointment of a receiver or trustee for Seller provided such appointment is not vacated within thirty (30) days from the date of such appointment; or (f) Seller's execution of an assignment for the benefit of creditors. Purchaser's exercise of the right of cancellation reserved in this paragraph shall neither impose any liability upon Purchaser by reason of the cancellation nor have the effect of waiving damages to which Purchaser might otherwise be entitled.

18. Termination for Cause. Except as otherwise provided in this clause, Purchaser may, by written notice of default to Seller, terminate this order in whole or in part if Seller fails to —

- (i) Deliver the supplies or to perform the services within the time specified in this order or any extension;
- (ii) Perform any of the other provisions or meet any of the requirements of this order;
- (iii) Make progress so as to endanger performance of this order (see following paragraph);

Purchaser's rights to terminate this order under subdivisions (ii) and (iii) above, may be exercised if Seller does not cure such failure within 10 days (or more if authorized in writing by Purchaser) after receipt of the notice from Purchaser specifying the failure. No such cure notice or period is required for a termination under subdivision (i) above.

If Purchaser terminates this order in whole or in part, it may acquire, under the terms and in the manner Purchaser considers appropriate, supplies or services similar to those terminated, and Seller will be liable to Purchaser for any excess costs for those supplies or services. Seller shall, however, continue the work not terminated.

If this order is terminated in whole or in part for default, Purchaser may require Seller to transfer the title and deliver to Purchaser, as directed by Purchaser, any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this clause) that Seller has specifically produced or acquired for the terminated portion of this order. Purchaser may also require Seller to deliver possession to AMG of any VPG-owned tools, dies, jigs, fixtures, plans, drawings, information and contract rights that remain in Seller's possession. Upon Purchaser's

direction, Seller shall also protect and preserve property in its possession in which Purchaser or VPG have an interest.

Purchaser shall pay the order price for completed supplies delivered and accepted. Seller and Purchaser shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under clause 20. Purchaser may withhold from these amounts any sum Purchaser determines to be necessary to protect Purchaser against loss because of outstanding liens or claims of former lien holders.

The rights and remedies of Purchaser in this clause are in addition to any other rights and remedies provided by law, including the U.C.C. as adopted by the State of Indiana, or in equity, or under this order.

19. Termination for Convenience. Purchaser reserves the right to terminate without cause this order at any time in whole or in part upon written notice to Seller. Upon termination by Purchaser, under this paragraph, Purchaser shall pay Seller upon the following amounts without duplication: (a) the purchase order price for all Goods or services which have been completed, in accordance with this order and the Releases and for which Purchaser did not pay previously; and (b) the actual costs incurred (exclusive of profit) by Seller in accordance with this purchase order and the Releases, which are properly allocable or apportionable under generally accepted accounting practices to the terminated portion of this purchase order, including the cost of discharging liabilities which are so allocable or apportionable. In no event, however, will payments made under this clause exceed the aggregate price payable by Purchaser for finished Goods which would be produced by Seller under the Release(s) outstanding at the date of termination. Except as provided in this clause, Purchaser shall not be liable for and shall not be required to make payments to Seller, directly or on account of claims by Seller's subcontractors, for loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs and general and administrative burden charges from termination of this order. Within sixty (60) days from the effective date of termination, Seller shall submit to Purchaser a comprehensive termination claim, with sufficient supporting data to permit Purchaser's audit, and shall thereafter promptly furnish such supplemental and supporting information as Purchaser shall request. Purchaser, or its agents, shall have the right to audit and examine all books, records, facilities, work, material, inventories and other items relating to Seller's termination claim. Seller's obligations under the warranty, intellectual property, and proprietary rights clauses of this order shall survive any termination for convenience.

20. Dispute Resolution. In the event that Seller fails or refuses to deliver Goods, or otherwise repudiates any provision of this order, Seller agrees that Purchaser may seek specific performance of Seller's obligations under this order and Purchaser reserves all of its remedies as provided under this order and under applicable law. At Purchaser's option, however, any claim against Seller for failure to deliver the Goods or for breach or repudiation of this order, as well as any other claim by either party for the threatened, alleged or actual breach of this order by either party (a "Dispute"), which cannot otherwise be resolved after good faith negotiations by the parties, shall be resolved as follows:

A. The Dispute shall be submitted in writing to Seller's account manager and Purchaser's Director of Supply-Chain Management. The respective managers shall attempt to resolve the Dispute within seven (7) calendar days of such submission.

B. If the managers for each party are unable to resolve the Dispute within seven (7) days of such submission, and if either party wishes to pursue the Dispute, the Dispute shall be adjudicated in a court of competent jurisdiction in the State of Indiana.

Pending final decision of any Dispute hereunder, Seller shall proceed with performance of the order. If the Dispute arises out of a difference in interpretation between the parties as to the performance requirements of the order, then Seller shall continue performance in accordance with the interpretation of performance as determined by Purchaser.

21. Lien Waiver. Neither the final payment nor any part of the retained percentage shall become due under this order until Seller shall deliver to Purchaser waivers of liens from all subcontractors providing for a complete release of all possible liens arising out of this order, or receipts in full in lieu thereof; and, in either case, a notarized affidavit stating that said releases and receipts cover all materials and labor incorporated in the work for which a lien might be filed. Seller may, if any subcontractor refuses to furnish a release or receipt in full, furnish a bond satisfactory to Purchaser, to indemnify it against any claim by lien or otherwise. If any lien or claim remains unsatisfied after all payments are made, Seller shall refund to Purchaser all moneys that the latter may be compelled to pay in discharging such lien or claim, including all costs and reasonable attorney's fees.

22. Remedies. The rights and remedies reserved to Purchaser in this order shall be cumulative, and in addition to all other or further remedies provided in law or equity. Without limiting the foregoing, should any Goods fail to conform to the warranties set forth above or if the materials contained within the Goods are alleged to or are determined to cause injury to third parties, Purchaser shall notify Seller and Seller shall, if requested by Purchaser, reimburse Purchaser for any incidental, special and consequential damages caused by such nonconforming goods, including, but not limited to, costs (including all attorney's or other professional fees), expenses and losses incurred by Purchaser in (a) inspecting, sorting, containing, repairing or replacing such nonconforming goods, (b) resulting from production interruptions, (c) conducting recall campaigns or other corrective service actions, (d) claims or litigation arising from personal injury (including death) or property damage caused by such nonconforming goods, and (e) any amounts for which Purchaser is liable to VPG on account of such nonconforming goods. If requested by Purchaser, Seller will enter into a separate agreement for the administration or processing of charge backs for nonconforming goods. In addition, Seller shall reimburse Purchaser for all liability, claims, demands or expenses (including attorney's or other professional fees) arising from or relating to Seller's breach or anticipatory repudiation of this order or any other contract between Seller and Purchaser, a request or demand by Seller to modify or change the terms of this contract, or legal proceedings involving Seller that in the reasonable judgment of Purchaser, may impact upon Seller's continued or future performance under this contract, or if Seller is a party to a court case or proceedings in which Purchaser appears, participates, monitors or becomes a party. In the event this contract is issued or renewed after Seller becomes a debtor in bankruptcy, Purchaser shall be entitled to all of its attorney's or other professional fees arising from or relating to the bankruptcy case, including for monitoring the case.

23. Indemnification. In addition to Seller's other indemnification obligations arising hereunder, Seller agrees to defend, indemnify and save harmless Purchaser from any and all claims, suits liabilities, damages or expenses asserted against or incurred by Purchaser by reason of the use of Seller's product by Purchaser, VPG, VPG's customers or others,

24. Insurance. Seller shall maintain insurance coverage with carriers acceptable to Buyer and in the following amounts: Comprehensive General Liability / Product Liability of not less than combined single limits of \$5 million and Professional Liability / Error & Omission of not less than combined single limits of \$5 million. Seller shall furnish to Buyer certificates of insurance and

Additional Insured endorsements showing compliance with these insurance requirements. All such certificates of insurance and endorsements shall not be subject to cancellation or material alteration except after thirty (30) days prior written notice by Certified Mail to the Additional Insured. The limits of liability coverage set forth above are established as minimum coverage required of Seller and shall in no way be construed as a limitation of the liability of Seller under any hold-harmless or indemnification provision contained in this Contract. The Seller's policies shall contain a provision by the respective insurers waiving the right of such insurers to subrogation. The waiver of subrogation shall be in favor of VPG, AM General, its board members, officers, employees, agents, successors and assigns.

25. Recall and Other Field-Service Actions. If Purchaser, on its own initiative or pursuant to a government mandate, makes a recall or other field-service action or customer recall campaign (a "Recall"), Seller shall be liable to Purchaser for all damages related to such Recall to the extent the Recall arises in any way from a defective Good or Seller's breach of any provision set forth in this order.

26. No Limitation. Any right or remedy expressly conferred on Purchaser herein shall not limit or modify any right or remedy which Purchaser would otherwise have. When shipments to places other than Purchaser's plant are authorized, Seller's invoices will be paid by Purchaser at the time specified on the face hereof but not before acknowledgment of receipt of shipment by the consignee.

27. Furnished Property. All tooling, dies, gauges, fixtures, molds, patterns and related software, drawings and other documentation for tooling, equipment or material, unless otherwise agreed to in this order, furnished to Seller, paid for by Purchaser or to be amortized over time in this order and any replacement thereof, or any additions, attachments, accessories and repairs ("Furnished Property"), shall be and remain property of Purchaser and shall be held by Seller on a bailment basis. Seller shall use the Furnished Property solely for the production of the Goods under this order and shall not without prior written consent of Purchaser use or permit others to use Furnished Property for any other purpose. Furnished Property shall be plainly marked as the property of Purchaser and shall be safely stored by Seller. Seller, at its own expense, shall keep Furnished Property in good working condition and replace when necessary. While in Seller's control, Furnished Property shall be held at Seller's risk and shall be insured by Seller at Seller's expense in an amount equal to the replacement-value cost, with loss payable to Purchaser. Seller assigns to Purchaser any claims for payment or loss of such Furnished Property that Seller might have against its insurer and Purchaser accepts this type of assignment. Seller shall use Furnished Property in a careful and safe manner and shall indemnify and hold Purchaser completely harmless against any-and-all claims, liabilities, expenses and damages arising from or related to the installation, use, storage, or repair of the Furnished Property. Upon such request from Purchaser, Seller shall immediately release the Furnished Property and prepare it for shipment or deliver it to Purchaser in the manner requested. Purchaser will assume the cost of delivery and will pay Seller for this delivery amount. Seller shall not hold or retain possession of Furnished Property to secure payment owed for any other reason.

28. Limitation of Damages. In no event will Purchaser be liable to Seller or Seller's subcontractors for anticipated profits or for special, incidental or consequential damages.

29. Setoff. In addition to any right of setoff or recoupment provided by applicable law, all amounts due Seller shall be considered net of indebtedness of Seller and its affiliates/subsidiaries to Purchaser and its affiliates/subsidiaries; and Purchaser may deduct any amounts due or to become due from Seller and its affiliates/subsidiaries to Purchaser and its affiliates/subsidiaries from any sums due or to become due from Purchaser and its affiliates/subsidiaries. If an obligation of Seller is

disputed, contingent or unliquidated, Purchaser may defer payment of all or any portion of an amount due until such dispute or contingency is resolved or the obligation is liquidated. In the event of Seller's bankruptcy, if all of the orders (including this order) between Purchaser and Seller have not been assumed (under applicable bankruptcy law), then Purchaser may withhold payment to Seller for Goods previously delivered (via administrative hold or otherwise) until the risk of potential rejection and other damages is eliminated.

30. Non-Solicitation. Purchaser will not solicit and Seller shall not provide, any gifts or gratuities (including but not limited to money, fees, commission, credits, gifts, things of value or compensation), of any kind which is provided directly or indirectly to any employee of Purchaser for the purpose of improperly obtaining or rewarding favorable treatment in connection with award of a purchase order or subcontract. Seller shall report in writing any solicitation or suspected solicitation of gifts or gratuities by Purchaser's employees to the Director of Supply-Chain Management.

31. Third-Party Beneficiary. Seller agrees that Purchaser is an intended third party beneficiary of any contracts between Seller and its suppliers relating to the production or assembly of the Goods covered by this order with the right to enforce such contracts.

32. Limitation. Purchaser's obligations under the order are expressly limited to procurement of the Goods pursuant to the terms of the order and these Terms and Conditions. Purchaser shall not be liable for any obligations arising out of any independent agreement between Seller and VPG, including, without limitation, agreements related to tooling, equipment, molds, dies, or design and engineering, regardless of whether such obligations are related to the Goods or the order.

33. No Implied Waiver. The failure of either party at any time to require performance by the other party of any provision of this order shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver of either party of a breach of any provision of this order constitute a waiver of any succeeding breach of the same or any other provision. To be effective, any waiver by Purchaser of any provision of this order must be in writing signed by Purchaser.

34. Non-Assignment. Seller may not assign or delegate its obligations under this order without Purchaser's prior written consent, which consent may be withheld in Purchaser's sole discretion.

35. Relationship of Parties. Seller and Purchaser are independent contracting parties and nothing in this order shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.

36. Governing Law. This order is to be construed according to the laws of the state of Indiana, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any conflict of law provisions that would require application of another choice of law. Any action or proceedings by Purchaser against Seller may be brought by Purchaser in any court(s) having jurisdiction over Seller or, at Purchaser's option, in the court(s) having jurisdiction over Purchaser or Purchaser's location as shown by the address of Purchaser on the face of this order, in which event Seller consents to jurisdiction and service of process in accordance with applicable procedures in that jurisdiction. Any acts or proceedings by Seller against Purchaser may be brought by Seller only in the court(s) having jurisdiction over the location of Purchaser from which this order is issued.

37. Severability. If any term of this order is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or

deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order of rule, and the remaining provisions of this order shall remain in full force and effect.

38. No Advertising. Seller shall not, without first obtaining the written consent of Purchaser, in any manner advertise or publish the fact that Seller has contracted to furnish Purchaser the Goods or services covered by this contract, or use any trademarks or trade names of Purchaser in Seller's advertising or promotional materials.

39. No Jury Trial. PURCHASER AND SELLER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF PURCHASER AND SELLER, AFTER CONSULTING (OR HAVING THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY PURCHASE ORDER OR ANY OTHER DOCUMENT PERTAINING TO ANY PURCHASE ORDER.

40. Entire Order. This order, together with the Releases and any other attachments, exhibits, or supplements, specifically referenced in this order, constitutes the entire order between Seller and Purchaser with respect to the matter contained herein and supersedes all prior oral or written representations and agreements. This order may only be modified by an order amendment/alteration issued by Purchaser.