

GENERAL TERMS AND CONDITIONS OF PURCHASE of R+S Automotive USA LLC, Comstock Park, Michigan, USA (11 August 2017)

1 INTERPRETATION

1.1 In these Conditions the following words shall have the following meanings:

"the Company" R+S Automotive USA LLC, a company incorporated under the laws of Michigan, USA, headquartered at 5352 Rusche Dr NW, Comstock Park, MI 49321.

"the Contract" the Order and the Supplier's acceptance of the Order which is in accordance with these Conditions.

"Goods" any deliverables, such as - but not limited to - goods, equipment or raw materials, agreed in the Contract to be purchased by the Company from the Supplier (including any part or parts of them).

"Provided Materials" means all materials provided by the Company to the Supplier for use in the manufacture of Goods, or the provision of Services, such as - but not limited to - equipment, devices, components, tools, models, samples, measuring and testing equipment, construction documents, drawings, specifications, data and similar items.

"Order" the Company's written instruction to supply the Goods or Services.

"Services" the services (if any) agreed in the Contract to be purchased by the Company from the Supplier.

"Supplier" the person, firm or company to whom the Order is addressed.

"Working Day" any day except Saturday, Sunday, the US national public or Michigan bank holidays.

1.2 References to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to that statute or provision as from time to time amended, consolidated, modified, extended, re-enacted or replaced.

1.3 Words in the singular include the plural and in the plural include the singular.

1.4 Headings do not affect the interpretation of these Conditions.

2 APPLICATION OF CONDITIONS

2.1 Subject to any variation under Section 2.3, these Conditions are the only Conditions upon which the Company is prepared to deal with the Supplier and they shall govern the Contract to the entire exclusion of all other terms or conditions.

2.2 No terms or conditions endorsed upon, delivered with or contained in the Supplier's quotation, acknowledgement or acceptance of order, specification, invoice or similar document, whether additional or conflicting will form part of the Contract, whether the Company explicitly objects the terms or conditions or not, and the Supplier waives any right which it otherwise might have to rely on such terms and conditions. In case of a reference by the Company to documents which contain or refer to Supplier's terms and conditions, such reference shall not be construed as an agreement to the Supplier's terms and conditions. All additional or conflicting terms and conditions proposed by the Supplier are rejected.

2.3 These Conditions apply to all the Company's Orders and purchases, without a requirement that these Conditions be included with or referred to in an Order, and any variation to these Conditions shall have no effect unless expressly agreed in writing and signed by a duly authorized representative of the Company.

3 FORMATION OF A CONTRACT

3.1 The Company's requests for quotation are not binding. The submission and preparation of offers by the Supplier is - irrespective of whether a contract will be concluded - for the Company free of charge.

3.2 A contract between the Company and the Supplier is only formed if the Company confirms the offer of the Supplier or in case of a serial supply contract the Company makes an Order. We are only bound by written confirmations and Orders.

3.3 Offers with expansions, restrictions or other alterations towards the Company's request require an expressly written indication.

3.4 In any case the Company is entitled to accept offers within a period of 2 weeks. The acceptance must be in written form.

3.5 Any amendments and supplements to a contract, including any amendment and supplement or waiver of this provision, must be made in writing.

3.6 The written form requirement under Section 3 shall also be satisfied by EDI (electronic data interchange), facsimile or e-mail.

4 PRICES, DISCOUNTS, PAYMENT TERMS

4.1 The price of the Goods or Services shall be as stated in the Order and unless otherwise agreed in writing by the Company shall be inclusive of Value Added Tax delivery, packaging, packing, shipping, carriage, insurance and all other charges, if any. Sales taxes assessed by U.S. states shall be stated separately, but shall not be chargeable if the Company furnishes a certificate of resale.

4.2 No variation in the price or extra charges will be accepted by the Company. The Supplier is also not entitled to unilateral price increases in long-term delivery periods or in case of continuing obligations like serial supply contracts.

4.3 Invoices must be issued in the currency stated in the Order, all invoices must be submitted on or after the date of delivery of the Goods or Services and must contain all information which are necessary for the identification and verification.

4.4 All taxes, fees and other charges due in connection with the transactions provided for in the Contract and which are levied by the relevant authorities shall be borne by the parties according to the party on which the taxes, fees and other charges are imposed by law, unless otherwise stipulated in these Conditions.

4.5 Invoices must be paid within a period of 60 days. The payment deadline begins upon receipt of the invoice, but not before receiving the goods or before the performance.

4.6 The Company shall pay the price of the Goods or Services on the 25th day of the month following receipt of the Supplier's invoice, or the next Working Day if the 25th is a Saturday, Sunday or the USA public or bank holiday, but time for payment shall not be of the essence of the Contract.

4.7 The Company shall receive a discount of 2% of the price of the Goods and Services on all invoices paid in accordance with Section 4.6. Decisive for the adherence of the discount period shall be the latter occurring event.

4.8 Without prejudice to any other right or remedy, the Company reserves the right to set-off any amount owing at any time from the Supplier to the Company against any amount payable by the Company to the Supplier under the Contract.

4.9 If the Supplier requires any deposit the Company will require a standby letter of credit for reimbursement upon Supplier's failure to perform, in form acceptable to the Company and issued by a major U.S. bank acceptable to the Company.

5 DELIVERY, DELAYED DELIVERY

5.1 The Goods should be delivered, carriage paid, to the Company's place of business specified in the Order unless delivery ex works has been agreed by the Company in the Order. For the timeliness of the delivery the arrival at the Company's place of business is decisive. Time for delivery of the Goods or performance of the Services shall be of the essence. In case of pick up of the Goods by the Company, the Supplier shall make the Goods available in sufficient time to provide the Goods in due time taking into account the time probably required for loading and dispatch.

5.2 The date and time (if applicable) for delivery of the Goods or Services shall be as specified in the Order and shall be binding, or if no such date is specified then delivery shall take place within 14 days of the Order. If circumstances arise or are observable which make delivery on time impossible, the Supplier shall inform the Company immediately in writing. The Supplier shall not deliver Goods before the agreed date without the express written consent of the Company.

5.3 The Supplier shall ensure that each delivery is accompanied by one copy of a dispatch note which show, inter alia, the Order number, whether any packaging material is to be returned to the Supplier, the number of packages and contents, and the weight of Goods supplied (if appropriate). All consignments of Goods shall display all such notices as to their contents as are required to comply with any law, rule, regulation or statutory provision. The Supplier undertakes to wrap and to package the Goods as required by the Company and to adopt all the measures necessary to protect the Goods. All packages should be prepared by the Supplier at its own cost, unless otherwise stipulated in the Order.

5.4 If the Goods are delivered to the Company in excess of the quantities ordered the Company shall not be bound to pay for the excess and any excess will be and will remain at the Supplier's risk and will, and on Company's request, will be returnable at the Supplier's expense.

5.5 In case of a delay of delivery the Company is entitled to claim for liquidated damages amounting to 0.5 % of the relevant Order value for each commenced week, or in case of a volume production Order of the relevant delivery request, but not more than 5.0 % in total. The Supplier is at liberty to provide evidence that no damage has occurred at all, or that the damage is considerably less severe than the agreed liquidated damages. The Company retains the right to provide evidence that more severe damage has occurred. In this case, the Supplier is obliged to pay the further damages that have occurred in addition to the liquidated damages.

6 PERMISSIBLE STOCK OF GOODS

6.1 If the Company mandates the Supplier as serial supplier (in particular components for the automotive industry), the Supplier shall be aware that number and volume of the delivery requests may vary and may as well be reduced to zero at any time and without prior notice, without the Company being obliged to buy and pay for further Goods, subject to Section 6.2. Only the actual delivery requests shall be binding on the Company. If the initial request refers to any numbers of pieces, this must not be interpreted as a forecast in the terms of Section 6.2 and not be intended to have any legally binding effect in this respect to the Company, it rather shall only be a forecast without any obligation for the Company. Delivery schedule forecasts are not binding and establish – except as provided in Section 6.2 – no claims.

6.2 However, the serial Supplier is allowed to keep in stock Goods to the extent of the forecast for the next month and raw material to the extent for the next 2 (two) months, in order to ensure an uninterrupted supply chain. If in a month our delivery requests do not correspond with the delivery schedule forecast, the Supplier has to adjust the production of Goods and the order quantity of raw material accordingly.

6.3 If the Company stops issuing further delivery requests Company is obliged to purchase from Supplier the products mentioned in Section 6.2 at the currently applicable prices and the raw materials mentioned in Section 6.2 at the proven purchase price, but not above the market price. This purchase commitment by the Company does only apply if the Company stops issuing delivery requests to Supplier for reasons other than good cause.

6.4 An obligation on the Company's part to take delivery and to pay under Section 6.2 shall not exist, if the Company stops issuing further delivery requests while being entitled to terminate the Contract without notice.

7 TRANSFER OF RISK AND TITLE

7.1 The Goods shall remain at the risk of the Supplier until delivery to the Company is complete (including off-loading and stacking), even if consignment is agreed.

7.2 In the case of Goods comprising machines or technical installations they will remain at the risk of the Supplier until satisfactory completion of installation and acceptance tests performed by the Company.

7.3 Title of Goods shall transfer upon completion of delivery at the agreed point, except in the case of agreed consignment.

8 QUALITY AND WARRANTIES

8.1 The Supplier warrants that its Goods and Services comply at delivery with all applicable statutory and contractual regulations and provisions, in particular without limitations regarding environmental and quality aspects. The Supplier further warrants that at delivery and during the full warranty period in Section 8.9, the Goods and Services shall conform to and operate in accordance with agreed specifications and will not have any defects in materials, workmanship or design.

8.2 The Goods shall be of the best available design, of the best quality, material and workmanship, be without fault and conform in all respects with the Order and specification and/or patterns supplied or advised by the Company to the Supplier, and any standards and/or regulations (if any) governing the Goods as shall be in force at the date of delivery or performance.

8.3 If as a result of repeated defective deliveries, in particular within the scope of serial supply contracts, an inspection of incoming Goods extending beyond the standard inspection measures becomes necessary, the Supplier shall either, as requested by the Company, conduct a 100 % inspection of outgoing Goods at its own cost or bear the cost of a 100 % inspection of incoming Goods at the site of the Company. If special circumstances arise (e.g. a particularly high defect quota), the Supplier shall also, already as a consequence of a first-time defective delivery, conduct a 100 % inspection of outgoing Goods at its own cost or bear the cost of a 100 % inspection of incoming Goods at the site of the Company, as requested by the Company. If a 100 % inspection (outgoing or incoming inspection) is to be conducted, the Company and the Supplier must reach an agreement on the duration of this measure.

8.4 The Services shall be performed by appropriately qualified and trained personnel, with due care and diligence and to such standard of quality as

may be required by any standard and/or regulations (if any) governing the provision of the Services and as it is reasonable for the Company to expect in all the circumstances.

8.5 In case of defective Goods or Services, the Supplier shall, at the Company's option, promptly repair or replace the defective Goods or Services at the Supplier's cost, including all costs of freight and labor, and shall be responsible to the Company for all costs and damages suffered by the Company on account of the defect.

8.6 The Company may carry out or cause to be carried out performance tests on the Goods on a short-term basis after receipt of notice that the Goods are ready for operation. The Company reserves a test period of 60 days for systems and equipment with complex program, Goods shall not be deemed accepted until successful completion of the test period.

8.7 If the tests have not been successfully completed the Company may reject the Goods or revoke acceptance, if applicable and the Supplier shall promptly replace the Goods with conforming Goods.

8.8 Notwithstanding any inspection, testing or acceptance of samples, specimens etc., the Supplier shall remain fully responsible for the Goods and any such inspection, testing or acceptance shall not diminish or otherwise affect Supplier's obligations under the Contract, in particular the Company does not waive any rights for warranty claims or other rights in case of defect or insufficient Goods or Services.

8.9 The acceptance of construction works or services requires a written acceptance protocol duly signed by both parties.

8.10 The warranty rights for Goods for the automotive industry are subject to a limitation period of 36 months from the initial registration of the vehicle and/or the installation of a replacement part, but at the latest within 48 months following delivery to the Company. The limitation period for Goods which are not destined for the automotive industry is 36 months as of transfer of risk, except the governing laws have mandatorily provided for longer limitation period which shall prevail over the above period. The limitation period is interrupted if the Company notifies the Supplier about defects via mail or fax.

9 SPARE PARTS

9.1 The Supplier confirms that all Goods will be available for a minimum period of 15 years after the date on which serial production of the Goods ends.

9.2 During the term of the Contract for Company's series production, the price of the Goods used as spare parts shall be equal to the serial price agreed in the Contract. However, during the 15-years-term after end of the serial production, the price shall not exceed the serial production price, unless mutually agreed otherwise.

10 SET-OFF, RETENTION AND CONTRACT TRANSFER

10.1 The Supplier may only offset claims that are undisputed or legally determined against claims of the Company.

10.2 The Supplier shall only have a right of retention in cases of undisputed or legally determined claims, as far as they are based on the same contractual relationship.

10.3 The Supplier shall not be entitled to assign the Contract or any part of it without the prior written consent of the Company.

10.4 The Company may assign the Contract or any part of it to any person, firm or company.

11 INTELLECTUAL PROPERTY

11.1 The Supplier warrants that no third parties' intellectual property rights have been or will be infringed by the manufacture, use or supply of the Goods or the use or supply of the Services worldwide.

11.2 In the event of any claim of third parties the Supplier indemnifies the Company and its customers from and against all liabilities and claims, including but not limited to any costs, fees and other expenses incurred in connection with any legal action.

12 LIABILITY AND INDEMNITY OF SUPPLIER

12.1 The Supplier shall indemnify the Company and its customers in full against all direct, indirect or consequential liabilities (all three of which terms include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), loss, damages, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by the Company as manufacturer which may result from any defects which the Supplier is responsible for as a result of or in connection with:

12.1.1 defective workmanship, quality or materials;

12.1.2 an infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Goods or the performance of the Services;

12.1.3 any claim made against the Company in respect of any liability, loss, damage, injury, cost or expense sustained by the Company's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Goods or Services as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the terms of the Contract by the Supplier.

12.2 To the extent that the Company or its customer is obliged to carry out a product recall due to a defect of Goods supplied or default of Services rendered by the Supplier or carries out such product recall to prevent serious damage, the Supplier shall bear all costs and damages in connection with such product recall.

12.3 The Supplier shall provide for sufficient coverage of product liability insurance and a public liability insurance and to present at any time and without delay to the Company by request confirmation by the insurance provider regarding the insurance coverage. As a general rule, the appropriate amount of coverage is 10.000.000,00 USD.

13 **SECRECY**

13.1 The Supplier is obliged to keep secret and treat confidential (i) all terms of the Order, (ii) all information, data and technical specifications regarding the Provided Materials and (iii) all information and documents provided for such purpose (except for information made public through no fault of the Supplier) and to use them only for the purpose of carrying out the respective Order. In particular the Supplier must not make use of for any purposes other than the purposes of the Order, copy or make available to third parties the Provided Materials or any documents and information regarding construction, design or workmanship of any Provided Material as well as specifications which have been made available to the Supplier by the Company.

13.2 This obligation lasts until the end of the tenth year as of the expiration and/or termination of the Contract.

13.3 Upon the Company's request or after completion of the Order the Supplier is obliged to return the Provided Materials and any received documents from the Company without undue delay, and to destroy any copies and duplicates as well as to delete all electronic data irreversibly and to confirm this in writing to the Company, except for one archive copy to be held solely for the purpose of any litigation.

13.4 Without the Company's prior written consent the Supplier is not allowed to refer to the business relationship to the Company in its advertising material, brochures, internet presentations, other presentations, etc.

13.5 The Supplier shall commit its sub-suppliers to the obligations pursuant to this Section 13 accordingly.

14 **PROVIDED MATERIALS, CONSTRUCTION DOCUMENTS AND SPECIFICATIONS**

14.1 Upon delivery of the Provided Materials, the Supplier shall send a written notice via fax to the Company within 3 days to confirm its acceptance of the Provided Materials with a detailed statement of the materials including the quantity, measurement, weight, quality and/or working status, if applicable, and to state any defects or its refusal to accept the Provided Materials with justified reasons, if any. Any failure of the Supplier to duly send the notice and/or to provide the justified reasons for its refusal of acceptance will be deemed as the Supplier's acceptance of all of the Provided Materials.

14.2 The risk of any damage, loss, destruction or deterioration of the Provided Materials shall pass to the Supplier at the time of delivery. Upon the delivery of the Provided Materials, the Supplier has its duty of care to store and maintain the materials on its own site in safe custody, i.e., it shall take the same attentiveness to take care of the Provided Materials that applies to its own properties. In case of any damage, loss, destruction or deterioration of the Provided Materials, the Supplier shall immediately notify the Company via fax in the same day of discovery. In any case, any repair of the Provided Materials is subjected to prior written consent by the Company.

14.3 Notwithstanding the above terms in Section 14.2, the Provided Materials shall remain the Company's exclusive property at all times. The Provided Materials may not be copied, loaned out to third parties or used otherwise than as authorized by the Company in writing. The Supplier is required to duly mark "Property of R+S" on the Provided Materials in order to clearly distinguish them from other properties.

14.4 All intellectual property rights in the Provided Materials shall remain the exclusive properties of the Company. The Supplier shall not have any rights to use and/or dispose in any way the intellectual property rights in the Provided Materials including but not limited to any trademark, patent, know-how, owned and/or used by the Company, during and after the expiration of the Contract.

14.5 The Supplier shall provide the Company with a manual containing instructions for the proper operation and maintenance of the Goods or Ser-

vices. If requested to do so the Supplier will submit to the Company for approval, plans, construction drawings, technical calculations etc. in respect of the Goods and Services, and, where appropriate, after verification deliver up the respective information and documents to the extent that the Company requires these information or documents for normal use or repair work.

14.6 In addition, the Supplier will supply to the Company drawings for the essential spare parts with sufficient details for the procurement for spare parts if required.

14.7 The approval by the Company of such plans, constructions, drawings, calculations, etc. shall not affect the Supplier's contractual obligations for their accuracy or the requirements of performance off the Goods.

14.8 Any tools, equipment, dies or moulds used in the manufacture of Goods and paid for by the Company shall become the property of the Company upon payment. All such tools, equipment, dies or moulds shall be held by the Supplier in safe custody at its own risk and free of charge until release to the Company at any time upon request of the Company. The Supplier undertakes not to dispose of any tools used in connection with the manufacture of the Goods without prior written agreement from the Company and shall be used solely for manufacture of Goods for the Company.

14.9 The Supplier is obliged

14.9.1 to continuously update the IMDS entries for the Goods delivered by it to the Company at its own cost. Should the Supplier not be in a position to make IMDS entries itself, it shall present the Company a list of all ingredients and materials, as well as the respective quantities thereof, contained in the Goods, so that the Company is able to enter the corresponding data into the IMDS system. In return for entering the data into the IMDS system by the Company on behalf of the Supplier, the Supplier shall pay to the Company a lump sum of 200 USD for each IMDS entry and each change to an entry. Insofar as the Supplier is unable to name the ingredients and their quantities, or if there is reason to assume that the information given is incorrect or incomplete, the Supplier shall bear the cost of the analyses of the product contents and their concentrations, and shall indemnify the Company from its obligation to do so.

14.9.2 to provide a safety data sheet of the Goods delivered by them to the Company.

14.10 Should a substance contained in the Goods be declared prohibited for the respective purpose of use and application, or should the concentration of a substance be declared prohibited, the Supplier shall inform the Company of this immediately and provide information on measures to be taken to remedy the state.

14.11 The Supplier shall inform the Company immediately in writing of all changes made to the composition of products delivered to the Company.

15 **PRODUCT AND/OR PROCEDURE CHANGES**

If Supplier is in an ongoing business relationship with the Company, Supplier shall notify the Company in writing if it intends to make product and/or procedure changes or modifications to the analysis method with regard to Goods and Services being sold to the Company, whether or not a current Contract exists. If any existing Contracts are affected, the Company's consent is required.

16 **COMPLIANCE, SAFETY AND HUMAN RIGHTS**

16.1 The Supplier is obligated to:

16.1.1 observe all relevant legal provisions and standards, such provisions and standards relating to environment protection, conservation of energy and resources, health and safety, accident prevention, transport and plant safety;

16.1.2 to maintain an effective management system in the areas mentioned in this Section 16 and to provide the Company with appropriate evidence and or allow inspections.

16.2 The Supplier shall carry out its business and company affairs and the supply of the Goods or Service in compliance with any laws and regulations including anti-corruption laws of its domicile country. The Supplier shall not authorize, make or participate in a payment of money or a gift of materials, services, facilities or anything else of value to any agency or official, any governmental customers or prospective customer; or employees, agents or associates of such persons for the purpose of obtaining or retaining business for the Supplier and the Company.

16.3 Supplier respects, supports and complies with the internationally recognised human rights, in particular the regulations of the United Nations on human rights and children's rights. If national regulations concerning child labor or human rights provide for stricter measures, these shall have precedence. Supplier ensures that within the production of his supplies there will be no form of forced labor.

16.4 Supplier commits, within the scope of prevailing laws and statutes, to opposing all forms of discrimination and ensures that there will be no discrimination within the production of his supplies. This applies in particular to unfair treatment on the basis of gender, race, disability, ethnic or cultural origin, religion or world view, age or sexual identity or orientation.

16.5 The Supplier is liable for any damage, costs and expenses incurred by the Company, our executive bodies and/or employees as a result of an infringement of the obligations outlined in 16.1 to 16.5. Further, the Supplier is obliged to indemnify the Company, our executive bodies and/or our employees from any claims made by third parties arising from the infringement by the Supplier of one of the obligations outlined in 16.1. to 16.5.

17 FACTORY RULES

17.1 When working at one of the Company's factories, the Supplier is obligated to supply the Company before the start of work with the names of its workers, whose qualifications and instruction must be verified according to legal and further requirements, and to familiarise them with the Company rules as well as Company policy.

17.2 In case that invoices based on hourly timesheets have been agreed, payment by the Company requires that the hours worked are documented by the Supplier and countersigned by the person responsible therefore appointed by the Company.

17.3 Resources and tools supplied by the Company are used at the Supplier's own risk.

17.4 For the delivery and installation of machines and equipment all relevant legal and further regulations as well as the Company's specifications must be observed.

18 EXTRAORDINARY TERMINATION, FORCE MAJEURE

18.1 In particular, the Company shall have the right to terminate the Contract extraordinarily if:

18.1.1 the Supplier commits a material breach of any of the terms and conditions of the Contract;

18.1.2 the financial or wealth position of the Supplier deteriorates to such an extent that the capability of the Supplier adequately to fulfil its obligations under the Contract has been placed in jeopardy;

18.1.3 any compulsory execution is levied upon any of the assets of the Supplier, bill or cheque protests have been made or in case of any other comparable process;

18.1.4 the serial supply contract between the Company and its customer for whom the Goods are intended ends – irrespective of the legal ground;

18.1.5 the Company is able to purchase comparable Goods from another company under more favourable conditions, and the Supplier fails to reinstate the competitiveness of the Goods within a reasonable period of time;

18.1.6 the Supplier ceases or threatens to cease to carry on its business; or

18.1.7 the Company reasonably believes that any circumstances have arisen that will prevent the Supplier from completing the Contract.

18.2 On termination or cancellation of the Contract for any reason:

18.2.1 The Supplier shall immediately, at its expense, return all Provided Materials to the Company as far as they still have a value; and

18.2.2 The Supplier shall immediately, at its expense, return to the Company all property in its possession belonging to the Company.

18.3 The Company reserves the right to cancel the Contract or reduce the volume of the Goods or Services ordered any time prior to delivery unless the Goods have been specially manufactured for the Company and in any case to defer the date of purchase and delivery of any Good. If Goods are to be specially manufactured for the Company, the Company also has the right to cancel the Contract or reduce the volume of the Goods ordered, and shall owe the Supplier solely the actual cost of manufacture, less any scrap value. The Company may always suspend delivery of Goods or the performance of the Services if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Company including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials ("Force Majeure"). Should any of these circumstances prevent or delay the Company from carrying on of its business for more than one month, the Company may cancel rescind that portion of the Contract which is affected, and the Supplier shall the right, as its sole remedy, also, to rescind that portion of the Contract which is affected. The Supplier shall

not have liability for any failure or delay in performance resulting from any event of Force Majeure affecting its performance, provided that the Supplier (i) promptly notifies the Company of any anticipated delay, (ii) uses best efforts to resume performance as soon as possible, and (iii) accords the Company's Orders priority to any available capacity. Excusable delay shall not include any predictable interruptions of operations such as shortage of staff or raw materials that could be avoided by advance or backup procurement of alternative resources. In the event of any Force Majeure Event affecting Supplier's performance, the Company shall have the right to cancel any unperformed Order without liability to either party and to obtain alternative in alternative supply.

19 PLACE OF PERFORMANCE, APPLICABLE LAW AND COURT OF JURISDICTION

19.1 The principle place of business for all deliveries and services shall be the by the Company named place of destination.

19.2 The formation, existence, construction, performance, validity in all aspects of the Contract shall be governed by the substantive laws of the state of Michigan, excluding principles of conflicts of laws and also excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG). The state and federal courts having jurisdiction over matters arising in Grand Rapids, Michigan, shall have exclusive jurisdiction over all disputes arising out of or in connection with the contractual relationship.

20 SEVERABILITY

If any provision of these Conditions is wholly or partly illegal, invalid, void, voidable or unenforceable it shall, to the extent of such illegality, invalidity, voidness, voidability or unenforceability be deemed severable and the remaining provisions of these Conditions and the remainder of such provision shall continue in full force and effect.