

ALLIED PHOTOCHEMICAL, INC.
GENERAL TERMS AND CONDITIONS OF PURCHASE

1. **Offer and Acceptance; Effect of Terms and Conditions.** This order to purchase (the “**Order**”) products or services (collectively, the “**Products**”) from seller, its subsidiaries, and any entity controlling, controlled by, or under common control with it (collectively, the “**Supplier**”) by Allied Photochemical, Inc., a Michigan corporation, its subsidiaries, and any entity controlling, controlled by, or under common control with it (collectively, “**Allied**”) will be governed by any writings on the face of the Order signed by Allied and by these General Terms and Conditions of Purchase (the “**Terms**”), whether such Terms are printed on the back of the Order, are physically attached to the Order, are transmitted electronically to the Supplier, or are made available on Allied’s website. The Terms constitute the entire and exclusive agreement binding on Allied, and the Terms expressly limit Supplier’s acceptance to the terms set forth herein. These Terms hereby reject the application of any of Supplier’s terms and conditions of sale, whether written or oral, issued previously, now or in the future by Supplier in relation, directly or indirectly, to the Products, unless Allied specifically agrees to Supplier’s terms in a separate writing signed by an authorized representative of Allied. No course of dealing or usage of trade is applicable unless expressly incorporated in these Terms or specifically agreed upon in writing by Allied. Invoices, bills of lading, quotes, or orders that purport to offer, modify, supersede, revise, or add to certain terms from Supplier do not constitute an acceptance by Allied of any offer or proposal by Supplier, whether in Supplier’s quotation, acknowledgement, invoice, or otherwise. In the event that any Supplier quotation or proposal is held to be an offer, that offer is expressly rejected and is replaced by these Terms. This Order may be accepted by Supplier (i) executing and returning to Allied the acknowledgment copy hereof; (ii) commencing work on any Product subject to this Order; or (iii) shipping or furnishing any Products in response to this Order. Notwithstanding the foregoing, in all cases Supplier shall acknowledge the Order upon receipt, confirming quantities, pricing, and delivery timing. Allied may, at its sole election, either reject the tendered Products or treat such action as constituting Supplier’s assent to the Terms hereof. In the event of a conflict between any prior or contemporaneous agreement or document exchanged between Allied and Supplier, the Order governs. Supplier acknowledges and agrees to be bound by, and comply with, all (a) Terms, as the same shall be amended, supplemented, and/or updated from time to time by Allied; (b) Allied’s code of conduct and its design and quality standards and regulations, as the same shall be amended, supplemented, and/or updated from time to time by Allied; and (c) the terms and conditions of Allied’s end customer, to the extent that such terms are not inconsistent with these Terms.
2. **Capacity.** Supplier represents and warrants it has the capacity to manufacture or deliver the Products in the quantities and at the times required by this Order, including, but not limited to, those quantities set forth in any of Allied’s estimates or forecasts provided to Supplier. Supplier will provide written notice to Allied immediately of any actual or potential labor dispute or unplanned manufacturing interruptions, and all related information relating to the dispute or interruption, which may delay or threaten to delay the timely performance of the Terms by Supplier. Allied may purchase Products from a third party immediately upon receipt of notice from Supplier if Allied deems necessary, in its sole discretion. Prior to the expiration of any labor contract having any potential of impacting Supplier’s capacity, Supplier will store, at its expense, a minimum thirty (30) day inventory of finished Products at a warehouse unaffected by the labor contract and approved by Allied.
3. **Shipment.** Shipment shall be made in accordance with specific instructions from Allied on the face hereof or as otherwise directed by Allied in writing, including properly packing, marking, labeling, and shipping Products. In the absence of specific shipping instructions, shipment shall be routed via the most economical mode of commercially reasonable transportation available. Material will be properly classified and the lowest commodity rate for such classification shall be obtained. Supplier will be solely responsible for all transport and unloading costs, customs charges, taxes, and insurance costs, as well as any other costs unless otherwise specified on the Order. Unless otherwise agreed to in writing by Allied, prices on the face hereof include all charges for packing and crating, and Supplier is obligated to suitably pack, mark, and ship all goods to prevent damage to conform to requirements of common carriers, notwithstanding any shipping FOB or other terms or rights of Supplier included herein. Unless solely caused by its own negligence, Allied shall have the right to return all freight damaged merchandise to Supplier and receive full credit therefore.
4. **Delivery.** Time is of the essence. Delivery shall be made in quantities and at the time(s) specified in the Order. Deliveries not made on the date or dates specified may be canceled or rejected by Allied. Over- or under-shipments may be returned at the option of the Allied and at the Supplier’s expense. If any Products delivered do not conform to this Order, Allied may reject such Products or the entire lot received. If this Order requires or authorizes deliveries of Products in separate lots, Allied, if it rejects or cancels one or more separate lots as aforesaid, may also, at its sole election, exercise either or both of the following rights: to cancel any undelivered lots and/or to purchase elsewhere and charge Supplier with any loss incurred as a result thereof. Premium transportation costs to meet delivery schedules shall be at Supplier’s expense. Allied may apply late delivery penalties against any invoice, in an amount determined by Allied, for all Orders for which Products were delivered late to Allied. If requested by Allied, Supplier will mail notice of shipment the same day the Products are shipped.
5. **Warranties.** Whether or not Supplier is a merchant of goods and/or services provided by it, Supplier warrants that all Products: (i) shall be of good quality and workmanship and free from defects latent or patent; (ii) shall conform to all specifications, samples, drawings, and descriptions furnished, specified, or adopted by Allied or supplied by Supplier prior to this Order; (iii) shall be merchantable and suitable, sufficient, and fit for their intended purposes and any special purposes known to Supplier to be contemplated by Allied; (iv) shall convey good title to Allied and be free of any claim or lien of any third party; and (v) shall comply with all local, state and federal laws relative thereto, including, but not limited to, all such laws relative to the manufacture thereof. **None of the remedies available to Allied for the breach of any of the foregoing warranties may be limited except to the extent and in the manner agreed upon by Allied in a separate agreement specifically designating such limitation and signed by an authorized representative of Allied.** Allied’s inspection, acceptance of, or payment for Products shall not constitute a waiver by it of any warranties. Allied’s approval of any sample or acceptance of any Products shall not relieve Supplier from responsibility to deliver goods and to perform services conforming to specifications, drawings, and descriptions. Supplier shall not substitute or modify any of the materials in the Products or make any changes to the design of the Products without Allied’s prior written approval. The warranty period shall be the later of (a) twenty-four (24) months from the later of the date of delivery or final run-off for machines, equipment, spare parts, and/or services; (b) any warranty period that has been agreed to by Allied, documented in writing, and signed by Allied; (c) at least as long as Allied’s warranty granted to Allied’s customer; or (d) as provided by applicable law. In addition to any other remedies available to Allied, Supplier shall timely repair and replace, at its own cost, all non-conforming components and perform any necessary work in connection with any warranty claim. If components are not repairable, Supplier shall replace the non-conforming components free of any and all charges to Allied and shall reimburse Allied for any and all expenses incurred by Allied or Allied’s customer in relation to the non-conforming components.
6. **Patent Warranty.** Supplier warrants that: (i) neither the Products furnished hereunder nor the sale or use thereof shall be a misuse or misappropriation of any trade secret or will infringe any United States or foreign patents, trademark, copyright, or other proprietary or similar rights; (ii) Supplier will, at its own expense, defend any suit that may arise with respect to any aforementioned misuse, misappropriation, infringement, or allegation thereof; and (iii) Supplier will indemnify and hold Allied and/or its customers harmless from all loss and expense incurred on account of any alleged or actual misuse, misappropriation, or infringement.
7. **Indemnity and Insurance.** Supplier shall indemnify and hold Allied harmless, and at Supplier’s expense, defend Allied from all liability, loss and expense, or claims, including, but not limited to, attorneys’ and experts’ fees, arising out of (i) Supplier’s breach of any of these Terms or other default under the Order; (ii) death or injury to any person or damage to any property or any other damage or loss, by whomsoever suffered, resulting in whole or in part from any alleged or actual defect, whether latent or patent, in Products which are the subject of the Order, including, but not limited to, actual or alleged improper construction or design; failure to comply with specifications; from non-complying services; from the actual or alleged violation by such Products (or their manufacture, possession, use, or sale) or Supplier of any federal, state, or local rule, regulation, or governmental order; from the failure of such Products to comply with any express or implied warranty of Supplier or with any of the provisions which govern Supplier’s performance under this Order; or (iii) acts or omissions, negligent or otherwise, of Supplier, or its employees or subcontractors, in the performance of the Order; *provided, however,* that Supplier shall have no obligation to indemnify Allied for claims that arise from the sole negligence of Allied. Supplier will obtain and maintain in force, at no expense to Allied, Products Liability insurance with Vendor’s Endorsement naming Allied and in amounts and with companies acceptable to Allied, to cover any liability, loss, or damage of the kinds above referred to. The amount or existence of any insurance required hereunder shall not be construed as a limitation on Supplier’s liabilities to Allied under these Terms.
8. **Services.** If Supplier performs any work or services for Allied, Supplier covenants and agrees that it will (i) perform such work or services as an independent contractor and not as an employee or agent of Allied; (ii) have sole liability for all salaries, payroll taxes, injuries (including dismemberment and death), workers’ compensation premiums, social security taxes, unemployment taxes, other applicable taxes, contributions, insurance, and insurance premiums, and indemnify Allied and Allied’s customer against any loss that may result from Supplier’s failure to comply with such laws, commitments, and obligations.
9. **Payment, Price, Quantities, and Forecast.** Payment terms are net forty-five (45) days from receipt of invoice unless otherwise agreed to in writing by Allied and listed on the purchase order. All prices for Products will be fixed as stated in the Order. If no price is stipulated herein, the Products shall be charged at prices not exceeding those last previously quoted or charged to Allied for goods or services of like kind or quality. Supplier shall not issue any invoice with a price higher than is stated in this Order or that is higher than the prices last previously quoted or charged to Allied for goods or services of like kind or quality. Any such Supplier invoice shall be void and of no force or effect. Supplier warrants that the prices named herein are as low as any net price now given by Supplier to any other customer of the same class for goods or services of like kind and quality, and Supplier agrees that, if at any time on or before the actual shipping date or the last shipping date specified hereon, whichever occurs last, lower net prices are quoted to any other such customer, said lower net prices shall be applied to this Order and shall be substituted for the prices contained herein. There will be no adjustments to the prices for Products for increases in Supplier’s costs, including, but not limited to, increases in the costs for tariffs, labor, material, or overhead. Supplier’s invoice will include all information appearing on the Order necessary for identification and origin of the Products. Supplier shall submit invoices in an auditable form, complying with Supplier’s and Allied’s applicable local mandatory law, generally accepted accounting principles, and the specific Allied requirements, containing the following minimum information: Supplier name, address and reference person including contact details (telephone, e-mail etc.); invoice

date; invoice number; Order number (same as stated in the Order); Product number (same as stated in the Order); quantity; specification of Products supplied; price (total amount invoiced); currency; tax or VAT amount; tax or VAT number; payment terms. The invoice will be sent to the invoicing address written on the face of the Order. Payment for Products will not constitute final acceptance of the Products or waive Allied's right to reject Products. Allied may reject the Products and hold Supplier in default if, at any time, Allied discovers a defect or its customer discovers a defect. Allied has the right to audit and review all records of Supplier to enable Allied to verify the accuracy of the amounts charged for the Products, assess Supplier's ongoing ability to perform its obligations under the Terms, or to verify any claim submitted to Allied in accordance with these Terms. Supplier agrees to maintain all records relating to the Products to facilitate an audit by Allied for a period of four (4) years following final payment under the Terms. Allied may provide Supplier with estimates or forecasts of its future anticipated volume or quantity requirements for Products. Supplier acknowledges that any estimates or forecasts are provided for informational purposes only and, like any other forward looking projections, are based on a number of economic and business factors, variables, and assumptions, some or all of which may change over time. Allied makes no representation, warranty, guaranty, or commitment, express or implied, regarding any estimates or forecasts provided to Supplier, including the accuracy or completeness of the estimates or forecasts.

10. **Tools.** Unless otherwise specified, all necessary supplies, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, ancillary products, materials and other items (collectively, the "**Tools**") required to execute this Order are to be supplied by Supplier. All Tools purchased by or furnished by Allied, in whole or in part, or by third-parties on Allied's behalf, to Supplier under these Terms, or for which Supplier has been reimbursed by Allied, will remain the property of Allied, will not be pledged to any third party, and shall be used exclusively for Allied unless Allied directs otherwise in writing. Supplier will assume all risk, loss, damages, injuries, or expenses arising, either directly or indirectly, from the use, maintenance, or repair of the Tools, including, but not limited to, any interruption of service, loss of business or profits, or any other indirect, special, or consequential damage, and/or personal injury or death. Supplier will insure the Tools for damage or loss (including theft) in an amount not less than replacement value and will maintain general liability insurance regarding operation of the Tools in amounts and coverage acceptable to Allied. Supplier will provide Allied with drawings, technical specifications, failure mode and effects analyses, and control plans for the Tools. It is understood and agreed that Allied shall be permitted access to the Tools and Supplier's records concerning the Tools at all times. It is also understood and agreed that the Tools may be removed by Allied at any time and shall not otherwise be disposed of by Supplier without written permission from Allied. The Supplier agrees to take the necessary steps, including that the Tools (i) will be properly stored, operated, and maintained by Supplier; (ii) will not be used by Supplier for any purpose other than the performance of these Terms; (iii) will be deemed to be personal property of Allied, not a fixture; (iv) will be conspicuously identified as property of Allied with relevant part numbers; (v) will not be commingled with other property of Supplier or with that of a third party; and (vi) will not be moved from Supplier's premises without Allied's prior written approval. Allied does not guarantee the accuracy of any Tools or the availability or suitability of any Tools furnished by Allied to Supplier, including any warranty, either express or implied, as to condition, merchantability, design, operation, or fitness for a particular purpose. Supplier agrees to check carefully and approve all Tools supplied by Allied prior to use. Supplier waives: (a) any lien that it might have or otherwise be able to assert against the Tools for work done on the Tools or otherwise, including any statutory non-consensual liens; and (b) any objection to Allied's repossession and removal of the Tools for any or no reason, including bankruptcy or insolvency proceedings. Supplier grants Allied an exclusive, irrevocable option to purchase any Tools and/or equipment owned by Supplier and used in the manufacture of the Products at a price agreed upon in writing by the parties, but in no event greater than the replacement cost of the Tools and/or equipment less depreciation. Allied may exercise this option at any time, provided that Supplier does not utilize the Tools and/or equipment owned by Supplier for third parties. Supplier will obtain any applicable waiver, release, or approval from financing sources so that Allied may exercise these rights. Upon the request of Allied, the Tools will be delivered to Allied by Supplier, either (y) F.O.B. transport equipment at Supplier's plant, properly packed and marked in accordance with the Terms and requirements of the carrier selected by Allied; or (z) to any location designated by Allied, provided that Allied will pay Supplier the reasonable cost of delivering the Tools to the location. Supplier hereby grants consent to Allied to perfect its property interest in any such tooling.

11. **Security Interest in Tooling.** (i) Supplier grants to Allied a security in all such Tools subject to [Section 10](#) above. The Supplier will, at Allied's request, execute and deliver to Allied a brief description of the collateral or such financing statements, amendments, and other necessary documents in order to establish and maintain a valid, attached, and perfected security interest in the Tools within thirty (30) days of receipt of this Order, unless otherwise agreed to in writing by both Allied and Supplier. Supplier acknowledges that failure to do so constitutes a material breach of the Order. Supplier irrevocably authorizes Allied to file in any jurisdiction any initial financing statements and amendments as required by Article 9 of the Uniform Commercial Code or any equivalent federal, state, or local statute. Supplier agrees to furnish any such information needed to complete these filings to Allied promptly upon request. Supplier further ratifies and affirms its authorization for any financing statements and/or amendments, executed and filed by Allied in any jurisdiction prior to the date of this Order. (ii) In addition to the above, within thirty (30) days of receipt of this Order, Supplier will provide notice to its secured lenders of Allied's interest in the above referenced Tools. Supplier acknowledges that failure to do so constitutes a material breach of the Order. (iii) In the event of Supplier's bankruptcy or Supplier defaults on any of its realty leases, Allied reserves the right to enter Supplier's premises during normal business hours to remove such Tools, materials, or equipment that Supplier uses solely to manufacture Products for Allied. (iv)

Supplier agrees to do such reasonable acts and things and deliver or cause to be delivered such other documents as Allied may deem necessary to establish and maintain a valid security interest in the equipment, materials and tooling referenced in this [Section 11](#) (free of all other liens and claims except permitted encumbrances) to secure the payment and performance of the Order and to defend title to such Tools, materials, and equipment against any person(s) claiming any interest therein adverse to Allied. Allied will execute and file a financing statement in those public offices deemed necessary to protect the security interests of Allied herein granted. If permitted by law, Supplier agrees that a carbon, photographic, or other reproduction of a financing statement may be filed as a financing statement.

12. **Packaging and Transport.** Products will be packed in accordance with the Terms, the Order, and industry standards. Allied may, at any time, change packaging or transport requirements. Supplier will be responsible for any damage to the Products arising from packaging or transport. If requested by Allied, Supplier will promptly furnish to Allied: (i) a list of all ingredients in the Products and corresponding amounts of ingredients; and (ii) information concerning any changes in or additions to such ingredients. Supplier will provide all Material Safety Data Sheets and "hazardous substance" warnings related to the Products, together with special handling instructions to advise Allied and third parties, including transportation carriers, as to the degree of care and precaution that will prevent bodily injury or property damage in handling, transportation, processing, use, recycling, or disposal of the Products. Products, as packaged, will be labeled as required under Allied standards and with (a) federal, state and local regulations; (b) regulations from the country of manufacture and Products; (c) any storage requirements; (d) Allied Order number; (e) description of the Products; (f) quantity; and (g) the gross or net weight of Products. Supplier will include a bill of lading consisting of delivery and identification information for the Products, including a clear description of the origin of the Products. For each international shipment, Supplier will comply with the customs invoicing and documentation requirements of the destination country.

13. **Taxes, Customs, and Offset Credits.** (i) The Products purchased hereunder are for resale or for an exempt purpose and are exempt from state and local sales or use taxes. If the Products are imported from outside the United States, Supplier will provide to Allied on the effective date of the Order a properly executed Internal Revenue Service (IRS) Form W8-BEN and a documented *Affirmation of Foreign Residency* as the appropriate and required documentation to substantiate this exemption. (ii) Supplier will promptly provide to Allied a list of parts or components used by Supplier in fulfilling its obligations under the applicable Order which Supplier purchases in a country other than the home country of the relevant Allied affiliate. Supplier will furnish Allied with any documentation and information necessary to establish the country of origin or to comply with the applicable country's rules of origin requirements. Supplier will promptly advise Allied of any material or components imported into the country of origin and any duty included in the prices of the Products. (iii) Supplier will comply with Allied's customs requirements. The rights to and benefits of any duty drawback, including rights developed by substitution and rights which may be acquired from Supplier's sub-suppliers and export credits, to the extent transferable to Allied, are the property of Allied. Supplier will provide all documentation and information and take any necessary steps to drawback any duty, taxes or fees paid to, and to receive export credits from, the government of the country of origin upon exportation of the Products from such country. (iv) The responsibility for customs duty and customs brokers' fees will be determined in accordance with the delivery point and transportation code stated in the applicable Order. If Allied is responsible for customs duties, it will be responsible for normal duties only. Supplier will be responsible for any anti-dumping and countervailing duties, to the extent permitted under the law of the country of importation. Supplier will provide Allied or the appropriate governmental authority all documentation and information required by law or regulation or otherwise necessary to determine the proper minimum duty to be paid upon the importation of the Products into any country or to obtain any refunds or drawbacks of duties paid. (v) Offset credits generated for all Products purchased will be available solely for utilization by Allied against any offset obligation resulting from sales made by Allied to the country where such Products were purchased. Allied may also assign such credits generated to an affiliated business entity. Should Allied, for the sake of realizing a sale of Allied Products, have to accept offset trade obligations with customers or countries, Supplier will endeavor to support such activities by undertaking to do its own offset trade, commensurate with the value of the Products in relation to the Product's price, for credit against Allied.

14. **Non-Disclosure.** (i) All specifications, drawings, schematics, tests, designs, inventions, engineering notices, financial information, technical data, samples, prototypes, models, and/or equipment (collectively, the "**Technical Information**") supplied by Allied, directly or indirectly, will remain Allied's property and will be held in confidence by Supplier. Technical Information will not be reproduced, used, or disclosed to others by Supplier without Allied's prior written consent, and will be returned to Allied upon demand or upon completion by Supplier of its obligations under the Terms. Supplier will disclose Technical Information only to those employees of Supplier having a need-to-know and who are bound by obligations of confidentiality equivalent to those contained in this [Section 14](#). (ii) Any information that Supplier discloses to Allied with respect to the design, manufacture, sale, or use of Products is disclosed as part of the consideration for these Terms, and Supplier will not assert any claim against Allied by reason of Allied's use of such information, which use is not limited in any manner. (iii) Allied will own all right, title, and interest in any idea, invention, concept, discovery, work of authorship, patent, copyright, trademark, trade secret, know-how, or other intellectual property developed by Allied or Supplier and related, directly or indirectly, to the Products under these Terms, whether or not Allied was charged for the design, concept, invention, or other intellectual property. (iv) Supplier will assist Allied in perfecting its right, title, and interest to and in all such intellectual property and will execute and deliver all documents reasonably requested by Allied in order to perfect, register, or enforce the same. Allied will reimburse any pre-

approved associated costs incurred by Supplier in providing such assistance. (v) Without obtaining the prior written consent of Allied, Supplier shall not in any manner advertise or publish the fact that it has furnished or has contracted to furnish Allied the Products. (vi) Supplier will indemnify Allied from all expenses and damages related to a breach of this Section 14. Supplier grants to Allied an irrevocable, non-exclusive, worldwide license with the right to grant sublicenses to affiliates to use any technical information, know how, copyrights, and patents owned or controlled by Supplier or its affiliates to make, have made, use, and sell any Products provided by Supplier under each Order. The license shall be effective from the first delivery of Products under the Order. For a period of two (2) years from Supplier's first delivery of Products under the Order, Allied shall pay to Supplier a "reasonable royalty" for such license, which is acknowledged by Supplier to be included in the price paid by Allied to Supplier for the Products.

15. **Exclusivity.** In consideration for the intellectual property provided to Supplier by Allied as well as technical assistance to expedite Supplier qualification, funding for Tools, and the cost of non-recurring expense and qualification pieces, Supplier agrees that it may sell Products contemplated by the Order only to Allied or to third parties authorized in writing by Allied. Any sale of such Products to any third party without express written consent from Allied will constitute a material breach of the Order for which Allied will be entitled to obtain immediate injunctive relief without the necessity of posting bond, in addition to any other remedy available at law or in equity.

16. **Not a Requirements Contract.** Orders issued to Supplier shall not be considered a requirements contract for Allied unless so noted on the face of such Order. Any Order issued to Supplier may be terminated by Allied, without any liability of any kind or nature whatsoever from Allied to Supplier, at the convenience of Allied.

17. **Changes.** Allied reserves the right at any time prior to shipment to make changes to: (i) specifications of any Products to be specifically manufactured for Allied; (ii) methods of shipment or packing; (iii) place of delivery; (iv) schedule of delivery; and (v) reduce, increase, or cancel the quantities ordered. Except as otherwise provided for in these Terms, if any such change causes an increase or decrease in the cost of or the time required for performance of this Order, an equitable adjustment shall be made in contract price or delivery schedule, or both, only to the extent expressly approved by Allied in writing. Any claim by Supplier for adjustment under this Section 17 shall be deemed waived unless asserted in writing within ten (10) days from receipt by Supplier of the change.

18. **Compliance With Laws.** Supplier represents, warrants, certifies, and covenants that: (i) Supplier will comply with all applicable laws, rules, regulations, ordinances, or other requirements of any national, state, provincial, local, multi-national, or international body (collectively, the "**Laws**") relating to the manufacture, sale, delivery, and use of the Supplies, including, but not limited to, environmental, health, and safety laws and regulations, immigration laws, and those dealing with equal employment opportunity; (ii) Supplier will take appropriate actions to provide a safe and healthy workplace, and to protect local environmental quality in all of its activities; (iii) each chemical substance constituting or contained in Products transferred under the Order is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 USC §§2601 *et seq.*), as amended, and the European Inventory of Existing Commercial Chemical Substances (EINECS) or the European List of Notified Chemical Substances (ELINCS) or equivalent lists in any other jurisdiction to which the Products will likely be shipped; (iv) that each chemical substance constituting or contained in Products sold or otherwise transferred to Allied is pre-registered if required, and registered if required, under Regulation (EC) No 1907/2006 ("**REACH**"), is not restricted under Annex XVII of REACH and if subject to authorization under REACH, is authorized for Allied's use; (v) Supplier shall notify Allied if it decides not to Pre-register or Register substances that will be subject to Pre-registration or Registration under REACH and are constituting or contained in Products supplied to Allied at least twelve (12) months before their Pre-registration or Registration deadline. Supplier will monitor the publication by the European Chemicals Agency of the list of substances meeting the criteria for Authorization under REACH (the "**candidate list**") and immediately notify Allied if any of the Products supplied to Allied is manufactured by Supplier with or contains a substance officially proposed for listing on the candidate list. Supplier shall provide Allied with the name of the substance as well as with sufficient information to allow Allied to safely use the Products or fulfill its own obligations under REACH; (vi) no Products transferred under the Order (1) have been or will be produced utilizing slave, forced, indentured, or convict labor or utilizing the labor of persons in violation of the laws governing minimum working age (including as prohibited by International Labor Organization Conventions No. 138 and No. 182), minimum wage, hours of service, and overtime in the country of manufacture, pursuant to the California Transparency in Supply Chains Act of 2010 (SB 657); (2) contain arsenic, asbestos, benzene, polychlorinated biphenyls (PCBs), carbon tetrachloride, lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls (PBBs), polybrominated biphenyl ethers (PBDE), or any other hazardous substances the use of which is restricted under EU Directive 2002/95/EC (27 January 2003) (the "**RoHS Directive**"), or chemicals restricted under the Montreal Protocol on ozone-depleting substances or the law of the countries into which product is shipped, any substance listed on the candidate list of the REACH legislation (Regulation (EC) No 1907/2006) or restricted under Annex XVII of REACH unless expressly agreed otherwise by Allied in writing; or (3) contain any "conflict minerals" such as gold, columbite-tantalite (coltan), cassiterite, and wolframite (or their respective metal derivatives, gold, tantalum, tin, and tungsten) of which the source is determined to be located in the Democratic Republic of Congo or adjoining countries (Angola, Congo, Central Africa Republic, Sudan, Uganda, Rwanda, Burundi, Tanzania, and Zambia), or any other mineral or ore restricted under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"); (vii) all products transferred under the Order are in compliance with the EU Directive 2002/96/EC on

Waste Electrical and Electronic Equipment (the "**WEEE Directive**"), as amended; (viii) with respect to any Products transferred under the Order which are "electrical and electronic equipment" covered by the WEEE Directive as amended, Supplier agrees, at no additional costs to the Allied to: (a) assume responsibility for taking back those Products in the future upon the request of Allied and treating or otherwise managing them in accordance with the requirements of the WEEE Directive and applicable national implementing legislation; and (b) take back as of the date of the Order the used Products currently owned by Allied up to the number of new units being purchased by Allied, or arrange with a third-party to do so in accordance with all applicable requirements; (ix) all wood packaging material, including, but not limited to, pallets, dunnage, crating, packing blocks, drums, cases, load boards, pallet collars, and skids are in compliance with the "Guidelines for Regulating Wood Packaging Materials in International Trade" (ISPM15) issued under the International Plant Protection Convention, the regulations of the U.S. Department of Agriculture's Animal Plant Health Inspection Service (APHIS), and any other applicable standards then in effect in the country where such material has been imported, or from which such material has been exported; (x) to the extent that any Products transferred under the Order contain hazardous materials, Supplier will provide all relevant information pursuant to Occupational Safety and Health Act (OSHA) regulations 29 CFR 1910.1200, as amended, if applicable, including a completed Material Safety Data Sheet (OSHA Form 20), REACH or EU Directive 67/548/EC, as amended, if applicable and any other applicable law, rule, or regulation, and mandated labeling information, or any similar requirements in any other jurisdictions to which Allied informs Supplier the Products are likely to be shipped; (xi) Supplier will not pay, promise to pay, or authorize the payment of any money or anything of value to any person or entity for the purpose of illegally or improperly inducing a decision or obtaining or retaining business or any advantage in connection with the Order; (xii) Supplier and its affiliates will comply with all provisions of Executive Order No. 13645 pertaining to, among other things, the sale of goods and services to the automotive industry of Iran; (xiii) Supplier shall assume all obligations imposed upon manufacturers by Directive 2006/42/EC of the European Parliament and of the Council of 17 May 2006 on machinery, and amending Directive 95/16/EC (recast) (as amended thereafter), as well as the national laws, rules and regulations transcribing this directive into national law; and (xiv) Supplier has established an effective program to ensure that any suppliers it utilizes to provide any goods or services that will be incorporated into Products or services supplied under the Order will be in conformance with the requirements of Section 18(i) to (xiii) above. From time to time, at Allied's request, Supplier shall provide certificates to Allied relating to compliance with any applicable legal requirements, including those listed in this Section 18.

19. **Cancellation and Remedies.** Allied may cancel this Order in whole or in part if: (i) the Products furnished do not conform to Supplier's warranties set forth herein; (ii) Supplier fails to make deliveries as provided herein; (iii) Supplier breaches any other term or condition herein; (iv) Supplier fails to make progress so as to endanger timely and proper completion of services or delivery of Products and does not correct such failure or breach immediately after receipt of written notice from Purchaser specifying such failure or breach; (v) Allied's customer terminates its agreement with Allied; (vi) any representation by Supplier proves to have been false when made; or (vii) Supplier is insolvent, a petition is filed for reorganization of Supplier or for its adjudication as a bankrupt, Supplier makes an assignment for benefit of creditors, a receiver or trustee is appointed for any of Supplier's assets, or any other type of insolvency proceeding or formal or informal proceeding for the dissolution, liquidation, or winding up of affairs of Supplier, is commenced. Any waiver by Allied of any Supplier breach of any provision hereof shall not constitute a waiver by Allied of any other provision or breach by Supplier. Allied shall have the right to terminate any and all orders upon ninety (90) days' written notice, for any reason or no reason. In the event Allied cancels the Order, it shall have, in addition to any other rights, the rights: (a) to refuse to accept delivery of the Products and/or performance of services; (b) within one year after delivery, to return to Supplier at Supplier's expense any Products already delivered, and, at Allied's option, either recover all payments made therefor and expenses incident thereto or, at Supplier's expense, to receive replacement therefor, except that the rights set forth in this provision (b) shall not be available upon cancellation by Allied because of the occurrence, alone, of any of the events set forth in (v) above; (c) to recover any advance payments to Supplier for undelivered Products; and (d) to purchase elsewhere and charge Supplier with any loss incurred as a result thereof. Allied's right to return Products shall not be affected by any assignment by Supplier of moneys due or to become due hereunder. Upon cancellation, Allied shall not have any liability to Supplier except for the allocable part of the price for conforming goods delivered and not returned. Any and all payments due to Supplier by Allied shall be subject to Allied's right of set off against any such amounts. In addition, Allied shall have the option of paying to Supplier, Supplier's actual costs for undelivered goods, in which event such goods, whether raw materials, work-in-process, or finished goods, shall become Allied's property and shall be delivered to Allied as herein provided. In no event shall Allied be obligated to pay to Supplier an amount greater than the price stated on the Order for said delivered and undelivered Products in total. In the event Allied exercises any right of termination it may have, Allied reserves all rights and cumulative remedies it may have through these Terms or any corresponding agreements, at law or in equity. In addition, Supplier agrees to fully cooperate with Allied in the event of any such investigation/examination. The Supplier further agrees that any breach of these Terms or Order that would have the effect of interrupting production at Allied or Allied's customer would result in irreparable harm to Allied and that money damages would not be a sufficient remedy for any such breach. The Supplier agrees that in such events that Allied shall be entitled to equitable relief, including injunction and specific performance, requiring further production of goods or the provision of services, as a remedy for any such breach or claimed breach. During the term of the Order, Supplier consents to the entry of an order for specific performance for the production of goods in accordance with Uniform Commercial Code §2-716 or similar statute. Supplier further waives any requirement finding that the Order constitutes a requirements contract or the securing or

posting of any bond in connection with any such remedy. Supplier further acknowledges and consents to the entry of injunctive or similar relief in order to enforce the obligations of the Supplier and Allied under these Terms, the Order, or other document governing the purchase of goods from Supplier by Allied whether at law or in equity.

20. **Setoff.** In addition to any right of setoff provided by law, all amounts due Supplier will be considered net of indebtedness of Supplier to Allied and its subsidiaries; Allied may deduct any amounts due or to become due from Supplier to Allied and its subsidiaries from any sums due or to become due from Allied to Supplier.

21. **Inspection.** All goods delivered to and work done for Allied shall be exactly as specified by Allied and in conformance with the Allied's specifications, Orders, drawings, schematics, tests, designs, plans, and directives, and shall be subject to inspection, approval, or rejection by Allied, either in whole or in part, at all reasonable times and places, occurring before, during, and after manufacture or delivery. Supplier shall advise Allied, upon request by Allied, when goods are ready for inspection. Any goods not conforming to the specifications may be returned to Supplier at Supplier's sole and complete risk and expense, may be made conforming by Allied (or a third party directed by Allied) at Supplier's sole and complete expense, or may be held by Allied at Supplier's sole and complete risk and expense for disposition after notice to Supplier. All costs or damages incurred by Allied from Supplier's non-conforming goods or services, including but not limited to, reparation costs incurred by Allied (or a third party directed by Allied), will be charged or setoff to Supplier in such amounts as fully compensates Allied for all such damages or costs related to Supplier's non-conformance.

22. **Limitation of Remedies/Time for Action.** The remedies set forth in these terms are the sole and exclusive remedies for Supplier. Allied will not be liable for any claims of any kind greater in amount than the purchase price of the Products from which the claims are made. **In no event will Allied be liable for any special, indirect, incidental, consequential, exemplary, or punitive damages, and Supplier expressly waives all claims for such damages.** Any proceeding by Supplier for breach of these Terms may not be filed or maintained unless (i) it is commenced within one (1) year after the cause has accrued; and (ii) Supplier has paid in full all amounts or credits owing to Allied prior to filing such proceeding.

23. **No Assignment.** Supplier shall not assign, in whole or in part, this Order or delegate the performance of its duties without the written consent of Allied. Any assignment or delegation without the prior written consent of Allied, at the option of Allied, will cancel any outstanding purchase orders. Any consent by Allied to an assignment will not waive Allied's right to recoupment from Supplier and/or its assigns for any claim arising out of these Terms, and Supplier will remain primarily liable to Allied for the adherence of its assignee to these Terms.

24. **Ownership.** Ownership of the Products will be transferred to Allied immediately upon its identification in the Order. Supplier will not impose or permit to be imposed any lien, encumbrance, or security interest or similar reservation of title on the Products. Supplier waives any statutory, non-consensual lien that may apply to the Products. If Allied purchases or finances all or part of the raw materials or semi-finished products for incorporation into the Products, the raw materials and semi-finished products will become the property of Allied immediately upon payment. Supplier, as bailee, will identify the raw materials and semi-finished products by plainly marking them as Allied-owned property.

25. **Force Majeure.** Any delay or failure of either party to perform its obligations will be excused if caused by an extraordinary event or occurrence beyond the control of the nonperforming party and without the nonperforming party's fault or negligence, such as acts of God, fires, floods, windstorms, explosions, riots, natural disasters, wars, terrorist attacks, and sabotage. Written notice of the delay, including the anticipated duration of the delay, must be given by the nonperforming party within five (5) days of the event. During the period of any delay or failure to perform by Supplier, Allied, at its option, may purchase Products from other sources and reduce its schedules to Supplier by such quantities, without liability to Allied, or cause Supplier to procure the Products from other sources in quantities and at times requested by Allied and at the price set forth on the Order for the Products. If requested by Allied, Supplier will, within five (5) days of such request, provide adequate assurance that the delay will not exceed a period of time that Allied deems appropriate. If the delay lasts more than the time period specified by Allied, or Supplier does not provide adequate assurance that the delay will cease within the time period, Allied may, among its other remedies, immediately cancel this Order and seek damages against Supplier for its non-performance.

26. **Work On Premises.** If the scope of work to be performed by Supplier includes work on premises specified by Allied, Supplier represents that it has or will examine the premises and any specifications or other documents furnished in connection with the items, and has satisfied itself as to the safe and acceptable condition of the premises and site. Supplier agrees that no allowance shall be made in respect of any error as to any of the foregoing on the part of Supplier. Supplier shall abide by all Allied rules, policies, procedures, and requirements related to environmental health and safety. Supplier shall at all times keep the premises free from accumulations of waste material, hazards, or rubbish. Upon completion of the work by Supplier, Supplier will leave the premises and the items broom clean. Risk of loss or damage to Supplier's materials or equipment, or risk of personal injury, dismemberment, or death to Supplier's employees, agents, or sub-contractors while on premises specified by Allied, shall remain with Supplier. Allied shall have no responsibility or liability to Supplier and Supplier shall defend, indemnify, and hold harmless, Allied against anyone claiming through or related to Supplier, with respect to any loss, damage, injury, dismemberment, or death, notwithstanding the fact that facilities or storage space on such premises is provided by Allied. Supplier will provide Allied a certificate of sufficient insurance either naming Allied as an additional insured or

containing a contractual liability and completed operations endorsement sufficient to protect Allied as contemplated hereby.

27. **Competitiveness.** Allied requires improvements in productivity and efficiency by Supplier. Supplier must remain competitive in all respects, including, but not limited to, price, quality, delivery, and reliability. It is agreed that if new technology becomes available which would provide a different and more economical method of manufacture for the goods provided by Supplier, that Supplier shall have an obligation to undertake the implementation of such technology and processes at its own expense. The savings achieved in connection with such required improvements shall be divided equitably between the Supplier and Allied, at Allied's sole determination and discretion, with consideration given to the source of such savings and the capital or other expenditures required to achieve such savings. Allied shall give Supplier written notice that Allied believes Supplier is no longer competitive. Supplier shall have sixty (60) days to become competitive and cure the default. If Supplier fails to become competitive within said sixty (60) day period, Allied may thereafter terminate all or a portion of the relevant Order by giving not less than sixty (60) calendar days' prior written notice of termination to Supplier (the "**Competitiveness Termination Period**"). The Competitiveness Termination Period shall not be construed as a cure period. If Supplier is non-competitive only as to price, Supplier shall not be considered in default if within such initial sixty (60) day period Supplier matches the competitive pricing available to Allied. If Supplier is unable to become competitive and all or a portion of the Order is terminated in accordance with this provision, Allied shall have no liability or obligations to Supplier of any type or nature whatsoever, including, but not limited to, costs for capital investments, as to such terminated production.

28. **Modification and Waiver; Complete Agreement.** No modification or waiver of the Terms will be binding upon Allied unless approved in writing by one of Allied's authorized representatives, or will be affected by the delivery of Product or the acknowledgment or acceptance of purchase order forms, invoices, shipping papers, or other documents containing other or different terms whether or not signed by an authorized representative of Allied. No agent, employee, or representative of Allied has any authority to bind Allied to any affirmation, waiver, representation, or warranty concerning the Products not contained in these Terms. These Terms, together with any supply agreement relating hereto or to the Order, represent the entire and final agreement and understanding among the parties with respect to the transactions contemplated by the Order and supersede all prior and contemporaneous negotiations, agreements, understandings, arrangements, drafts, covenants, representations, and warranties, whether written or oral, of any party dealing with such subject matter between the parties with respect to the subject matter contained in the Order. All such prior and contemporaneous negotiations, agreements, understandings, arrangements, drafts, covenants, representations, and warranties, whether written or oral, are expressly merged into and superseded by the Order and constitute (along with the documents referred to in the Order or executed in connection herewith) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. No representation, warranty, promise, inducement, or statement of intention has been made by either party which is not set forth in the Terms or the documents referred to in the Terms, and neither party shall be bound by, or be liable for, any alleged representation, promise, inducement, or statement of intention not set forth herein or therein. The provisions of the Terms may not be explained, supplemented, or qualified through evidence of trade usage or a prior course of dealings. There are no conditions precedent to the effectiveness of the Order, other than those expressly stated in the Order. If any provision of the Order or these Terms, or any portion thereof, is invalid or unenforceable under any statute, regulation, ordinance, executive order, or other rule of law, such provision, or portion thereof, shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order, or rule, and the remaining provisions of the Order and these Terms shall remain in full force and effect.

29. **Audit Right.** Allied shall have the right to inspect and audit Supplier's facilities, books and records, and check all Tools, other capital equipment, processes, parts, documentation, costs, and all other items related to the Order in such detail or manner as Allied in its sole discretion shall determine. Supplier shall retain all appropriate records for inspection or audit for a period of not less than four (4) years after the termination or expiration of the Order. This same right is available to Allied's customers. Allied shall have the right to audit and examine all books, records, facilities, work, material, inventories, and other items relating to any termination or other type of claim by Supplier. In addition, Supplier agrees to fully cooperate with Allied in the event of any such investigation/examination.

30. **Legal Notices.** All legal notices must be written in English and will be sent by registered or certified mail to the Parties at the addresses listed on the Order for the attention of the Legal Department or its approved and/or registered agent pursuant to the Secretary of State of qualification or incorporation's records. Legal notices will not be effective if sent by fax. Any notice or communication in connection with this Order will be deemed to be given as follows: (i) if delivered in person, at the time of delivery; and (ii) if sent by commercial courier service or registered or certified mail, on the date and at the time of signature of the delivery receipt.

31. **Intentionally left blank.**

32. **Industry Standards.** If Supplier has an implemented management system, documented and maintained according to ISO 9001, IRIS and ISO 14001 international standards, Supplier is required to supply the Products in conformance with the requirements of such standards. Supplier shall have valid third-party certifications of such standards. In the absence of third-party certification, depending on the type of the Products, its application, value, and criticality, Allied may, in its sole discretion, accept

other evidence of compliance, including, but not limited to, an Allied-directed audit or (self) assessment to the applicable criteria above. Supplier shall mandate the compliance to such standards by its subcontractors participating in the supply of the Products to Allied.

33. **Survival.** Provisions and rights of the Terms which either are expressed to survive its termination or from their nature or context it is contemplated that they are to survive such termination shall remain in full force and effect notwithstanding such termination.

34. **Governing Law.** The Order, these Terms, and any claim, controversy, or dispute arising under or related to the Order or these Terms, the relationship of the parties, or the interpretation and enforcement of the rights and duties of the parties will be governed by the laws of the State of Michigan without regard to any conflicts of law principles. The application of the United Nations Convention for International Sale of Goods dated April 11th 1980, is hereby expressly excluded.

35. **Arbitration.** If a dispute arises out of or relates to any Order or these Terms (other than requests for injunctive relief), or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration. Any dispute arising under or related to any Order or these Terms (other than requests for injunctive relief) that cannot be resolved by such mediation will be resolved by binding arbitration in Detroit, Michigan, conducted in the English language using a single arbitrator selected by the parties. The United States Federal Arbitration Act will govern and the arbitration will be conducted under the expedited procedures of the commercial arbitration rules of the American Arbitration Association (“AAA”), except as modified by this provision. If the parties cannot agree on an arbitrator within thirty (30) days of either party’s written notice to arbitrate, each party will select a person from the AAA-approved commercial arbitrator list and those two people will jointly select a third person from such list who will conduct the arbitration as the sole arbitrator. The potential arbitrator must have experience in dispute resolution involving the railroad industry. It is the intent of Allied and Supplier (and Allied and Supplier will use reasonable best efforts to ensure) that arbitration proceedings will be concluded, and the arbitrator will render his/her decision, within ten (10) business days following the date on which the arbitrator is appointed, and the arbitrator will agree to comply with this schedule before accepting the appointment. The arbitrator may extend such ten (10)-business day period for an additional period (not to exceed twenty (20) days) for good cause, as determined in the arbitrator’s discretion. Failure to adhere to these time limits will not constitute a basis for challenging the decision of the arbitrator. The arbitrator’s decision will be final and binding on the parties. The arbitrator will issue written findings of fact and conclusions of law, and may award attorneys’ fees and costs to the substantially prevailing party. In no event will any party be awarded punitive or exemplary damages. The award of the arbitrator will be enforceable in any court of competent jurisdiction, provided that either party may appeal to courts of competent jurisdiction sitting in Columbus, Michigan, for correction of any clear error of fact or law by the arbitrator; *provided, however*, that the appealing party must first post an appropriate bond and that the prevailing party in any such action will be entitled to its attorneys’ fees and costs.

Subject to applicable law, the parties (including their affiliates, employees, agents, experts, and consultants), the arbitrators, and the AAA will maintain the confidentiality of all aspects of the arbitration, including all documents, communications, proceedings, and awards provided, produced, or exchanged therein, unless the parties otherwise agree or as necessary to enforce an award. In no circumstance will any aspect of the arbitration be disclosed without providing prior written notice to all parties and affording such parties a reasonable opportunity to protect their interests, except that the parties may disclose aspects of the arbitration (i) to the extent compelled by law, rule or regulation or legal or administrative process or proceeding; and (ii) to their employees, directors, officers, agents, representatives, accountants, and attorneys on a need-to-know basis provided such other persons are informed by the parties of the confidential nature of such information.

Nothing contained in this Section 35 will be construed to limit or preclude a party from seeking injunctive relief in any court of competent jurisdiction; provided however, that the ultimate merits of the dispute are intended to be resolved through arbitration as provided above. Any request for injunctive relief may be brought by Allied in any court(s) having jurisdiction over Supplier or, at Allied’s option, in the applicable court closest to the place from which the Order was issued by Allied, in which event Supplier consents to the jurisdiction of such court. Any request for injunctive relief against Allied may be brought by Supplier only in the court(s) of competent jurisdiction sitting in Columbus, Michigan. Notwithstanding anything contained in the Order or these Terms to the contrary, Allied shall not be precluded from immediately filing litigation seeking an ex parte restraining order and/or preliminary injunctive relief if Allied’s or its customer’s production is threatened or actually disrupted or Supplier is unable to deliver the Products in the quantities, the quality or at the time required by the Order. During such time as the rights or obligations of a party are subject to the dispute resolution process set forth in this Section 35, Supplier will continue to perform, and Supplier may not assert such dispute as excusing the Supplier’s obligations under the Order. Without limiting the generality of the preceding sentence, Supplier shall not be permitted to terminate any Order based on an alleged breach of the Order prior to completion of the resolution process set forth in this Section 35.

36. **Toxic Substances, MSDS, Ingredients Disclosure and Special Warnings and Instructions.** In supplement, and not in replacement, of Section 12 above, (i) Supplier will submit to Allied prior to and with each shipment, Material Safety Data Sheets prepared in accordance with the OSHA Hazardous Communication Standard, 29 CFR 1919.1200. (ii) If requested by Allied, Supplier will promptly furnish to Allied in such form and detail as Allied may direct: (a) a list of all ingredients in the Product purchased hereunder; (b) the

amount of one or more of the ingredients; and (c) information concerning any changes in or additions to such ingredients. (iii) Prior to and with the shipment of the Products purchased hereunder, Supplier agrees to furnish to Allied sufficient warning and notice in writing (including appropriate labels on the Products, containers, and packing) of any hazardous material which is an ingredient or a part of any of the Products, together with such special handling instructions as may be necessary to advise carriers, Allied, and their respective employees of how to exercise that measure of care and precaution which will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the Products, containers, and packing shipped to Allied. (v) Supplier will comply with all laws, orders, and regulations pertaining to the use, storage, and disposal of restricted toxic and hazardous materials.

37. **Compliance With Labor Laws.** In supplement, and not in replacement, of Section 18 above, Supplier will comply with the Fair Labor Standards Act of June 30, 1938 (USC 201-209) as amended, the Occupational Safety and Health Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act, the Age Discrimination in Employment Act, the Immigration Reform and Controls Act, the Family and Medical Leave Act, 29 CFR part 471, appendix A to subpart A, pertaining to employee rights under federal labor laws, and any and all other federal, state, and local laws, statutes, ordinances, rules, regulations, codes, orders, and/or programs, including, but not limited to, identification and procurement of required permits, certificates, approvals, and inspections, labor and employment obligations, affirmative action, wage and hour laws, and any other laws which subsequently become applicable under the Order and these Terms.

38. **Equal Opportunity and Affirmative Actions.** In supplement, and not in replacement, of Section 18 above, this Order incorporates by reference: (i) all provisions of 41 C.F.R.60-1.4, as amended, pertaining to the equal opportunity clause in government contracts; (ii) all provisions of 41 C.F.R.60-300.5(a), as amended, pertaining to affirmative action for veterans; (iii) all provisions of 41 C. F. R. 60-741.5(a), as amended, pertaining to the affirmative action for individuals with disabilities; and (iv) all provisions of the Equal Employment Opportunity Clause in Section 202, Paragraphs 1 through 7 of Executive Order 11246, as amended, pertaining to equal employment opportunity and the implementing Rules and Regulations of the Office of Federal Contract Compliance. Supplier certifies that it is in compliance with all applicable provisions of 41 C.F.R.60-1, including, but not limited to: (a) developing and presently having in full force and effect a written affirmative action compliance program for each of its establishments as required by 41 C.F.R. 60-1.40, as amended; (b) filing EEO-1 Reports as required by 41 C.F.R. 60-1.7, as amended; and (c) neither maintaining segregated facilities nor permitting its employees to perform services at segregated facilities as prohibited by 41 C.F.R. 60-1.8, as amended. Allied requests that Supplier adopt and implement a policy to extend employment opportunities to qualified applicants and employees on an equal basis regardless of an individual’s age, race, color, sex, religion, national origin, disability, or any other legally protected characteristic.

39. **Importer Security Filing.** To comply with Importer Security Filing (“ISF”) Requirements for ocean shipments to the United States, the following data elements shall be sent via electronic mail to Allied a minimum of three (3) business days prior to cargo lading: Automated Manifest System (“AMS”) bill of lading number (lowest level), vessel name, voyage number, cargo lading date, Supplier name and address, Allied’s name and address, Importer of Record Number, Consignee number, Manufacturer (Supplier) name and address, Ship-to name and address, Container Stuffing location name and address, Consolidator (Stuffer) name and address, and Country of origin, Harmonized Tariff Number, and Allied part number of each invoice line item. The ISF pre-alert shall also include invoice(s) for the shipment.

40. **Intentionally left blank.**

41. **Late Delivery.** If delivery is delayed other than for reasons set out in Section 25 (Force Majeure), then without prejudice, and in addition to, Allied’s other rights and remedies, the Supplier will pay Allied a late delivery charge in an amount equal to two and a half percent (2.5%) of the invoice amount of the delayed Products for each week of delay, calculated on a daily pro-rata basis, not to exceed an aggregate amount of ten percent (10%) of such invoice amount. Allied and Supplier agree that actual costs suffered by Allied as a result of a late delivery may be difficult to ascertain, uncertain in nature and incapable of exact determination in each instance, and that the late delivery charge is a good faith estimate of the costs suffered by Allied, and not a penalty, resulting from late delivery. The late delivery charge does not include charges that Allied may be liable to a third party for.