

**General Purchase Order
Terms and Conditions**

October 2018

These General Purchase Order Terms and Conditions (“Terms and Conditions”) govern all purchase orders issued by Iochpe-Maxion S.A or any of its subsidiaries.

1. Definitions.

1.1. “Buyer” means Iochpe-Maxion S.A. or its subsidiary noted on the face of the Purchase Order as Buyer. If the face of the Purchase Order specifies “[Location] Operations” or other similar designation, the Buyer is the subsidiary of Iochpe-Maxion S.A. operating Buyer’s Plant at the specified location. Except if otherwise stated in the Purchase Order, neither Iochpe-Maxion S.A. nor any of its subsidiaries other than the Buyer named on the face of the Purchase Order is a party to the Purchase Order, or in any way a guarantor of the obligations of Buyer under the Purchase Order.

1.2. “Buyer’s Plant” means the plant or other location of the Buyer to which Products are to be delivered or provided, the address of which appears on the face of the Purchase Order.

1.3. “Products” means the goods and/or services covered by the Purchase Order, which term includes both goods and services unless the context clearly indicates otherwise, and, as to goods, includes all parts, portions, items, attachments, repairs, replacements and substitutions thereof.

1.4. “Purchase Order” means the document (in electronic or physical form) which provides for a purchase of Products by the Buyer, as well as subsequent releases, call-offs, requisitions, work orders, delivery instructions and other documents provided by Buyer related to the Products (including documents provided by electronic data interchange), and any agreements related to the Products signed by both the Buyer and Supplier. It also includes these Terms and Conditions, the Maxion Wheels General Quality Standards and the Maxion Wheels Global Manual for Supplier Requirements or the Maxion Structural Components General Quality Standards for Suppliers (if the Buyer is a part of either Division), and all other documents specifically made a part of the Purchase Order by Buyer. In case of any discrepancy between these Terms and Conditions and other contractual provisions included in the Purchase Order, the latter shall prevail, and in general a specific provision shall prevail over the more general.

1.5. “Supplier” means the party named as seller or supplier in the Purchase Order or is otherwise identified as the party to provide Products to the Buyer.

1.6. "Supplier Document" means any quotation, acknowledgement, bill of lading, invoice, correspondence or other document issued by Supplier, whether in electronic or printed form.

2. Entire Agreement; Electronic Documents.

2.1. Entire Agreement. The Purchase Order is the final, complete, and entire agreement between Buyer and Supplier with respect to the Products and no modification of or addition to the Purchase Order shall be effective unless in writing and signed by an authorized representative of Buyer. Any agreements, negotiations or understandings of Buyer and Supplier prior to the date of the Purchase Order, whether written or oral, are superseded by the Purchase Order unless it is specifically stated otherwise in the Purchase Order. The Purchase Order may reference Supplemental Purchase Order Terms and Conditions applicable to the specific country in which the Purchase Order is issued. If any such country-specific Supplemental Purchase Order Terms and Conditions are referenced in the Purchase Order, they shall prevail over any conflicting provisions in these Terms and Conditions.

2.2. Electronic Contracting. Supplier shall submit invoices and other documents to be provided to Buyer relating to the Purchase Order or the Products using electronic data transmission methods, web portal, or other methods, as specified by Buyer.

2.3. References to Supplier Documents. Any and all Supplier Document shall only be accepted by Buyer to the extent they are referenced in a Purchase Order. Any reference to a specific provision of a Supplier Document in a Purchase Order shall constitute acceptance of only the specific provision referenced and shall not be deemed to be an adoption of the entire Supplier Document.

3. Acceptance of Purchase Order and Obligation to Supply.

3.1. Purchase Order and Offer. Each Purchase Order is an offer. No Supplier Document shall be considered as an offer. Supplier shall be deemed to have accepted the Purchase Order in its entirety without modification, deletion, or addition, notwithstanding any prior dealings or usage of trade, when Supplier either acknowledges or accepts the Purchase Order or begins performance under the Purchase Order, whichever occurs first. Buyer may modify or cancel any Purchase Order at any time prior to acceptance by Supplier.

3.2. Rejection of Supplier's Terms. Any Supplier Document, including any Supplier Document referenced in the Purchase Order, to the extent containing any terms in addition to, inconsistent with or rejecting any of the terms of the Purchase Order, shall be deemed to be a counteroffer to Buyer. Such counteroffer is rejected by and shall not be binding upon Buyer unless specifically accepted in writing by Buyer. The

terms of the Purchase Order shall apply without modification even if Buyer accepts and pays for any Products from Supplier with knowledge of any conflicting or different terms and conditions in a Supplier Document.

3.3 Obligation to Supply. Unless specifically stated to the contrary in the Purchase Order:

(a) If the Products are purchased for a specific vehicle program, Supplier is obligated to supply Products for the life of the program for which Buyer or its customer intend to use the Products.

(b) If the Purchaser Order is for a specific quantity or period, Supplier shall continue to supply for such reasonable period at quantities as determined by Buyer.

(c) Buyer shall be entitled to injunctive relief to require Supplier to continue to supply.

(d) Upon resourcing, Buyer shall be entitled to the assignment of any agreements and sources of supply as to materials, components, and services related to the Products.

(e) Buyer may source the purchase of the Products from multiple suppliers.

(f) The quantity of the Products shall be equal to Buyer's requirements, for production and service Products, subject to Buyer's rights to resource or terminate.

(g) Supplier shall provide to Buyer, and permit Buyer to review its financial and other records to provide Buyer with sufficient comfort, at Buyer's sole discretion, that Supplier is able to and is complying with its obligations.

4. Shipping.

4.1. Packaging. Supplier shall assure that all Products shall be suitably treated, preserved, packaged, crated, and labeled and handled to permit efficient handling, provide protection from loss or damage, in accordance with Buyer's specifications or, in the absence of such specifications, in accordance with the usual requirements and standards of common carriers and Supplier's industry practice. Supplier shall be liable for any loss or damage incurred by Buyer due to Supplier's failure to comply with its obligations.

4.2. Delivery Terms. Unless otherwise specified in the Purchase Order, Products shall be delivered DDP Buyer's Plant (Incoterms 2010). Supplier shall be responsible for all costs of packaging, handling, sorting, storage, shipping, insurance, customs duties and other transportation charges, except if otherwise provided for in the Purchase Order. No charge shall be made to Buyer for drayage, demurrage, storage or returnable containers, unless otherwise provided in the Purchase Order.

4.3. Shipping Documents. All shipments shall be accompanied by packing slips showing the packing slip number, Purchase Order number, contents and weight, the name of Buyer's Plant and/or dock number, as well as all required material certificates, origin certificates, tariff classifications, ELV or IMDS sheets and any other information specified by Buyer. If requested, Supplier shall include bar-codes matching Buyer's specifications with all delivered Products and returnable crates and other dunnage. Where multiple

packages comprise a single shipment, each package shall be consecutively numbered. Purchase Order numbers, package numbers and all part or code numbers of Buyer shall be shown on all packing slips, bills of lading and invoices. Supplier shall describe Products on the bill of lading or other shipping receipt and shall route shipment in accordance with instructions issued by Buyer.

4.4. Certificate of Compliance. Supplier, upon request, shall submit a Certificate of Compliance signed by an authorized representative of the Supplier attesting to Buyer the Supplier's compliance with all government and environmental laws and regulations relating to the Products. This certificate may be requested at the beginning of deliveries and/or any time thereafter.

4.5. Hazardous Material. The transportation and handling of hazardous material by Supplier and its contractors shall fully comply with applicable legal requirements, in particular in regard with loading and unloading, usage of certified packages and containers, and usage of appropriate vehicles and equipment, and shall be covered by appropriate insurance, at the expense of Supplier. The Supplier shall take all necessary measure to assure the safety of persons who may become in contact with such materials.

5. Delivery

5.1. Timely and Accurate Deliveries. The Supplier shall assure deliveries are made in the manner, in the quantities, and at the times specified in the Purchase Order and other documents forwarded to Supplier by Buyer, which shall become binding on Supplier unless Supplier objects in a writing delivered within five (5) days of receipt. Time and quantities are of the essence with respect to all delivery schedules established by Buyer. Supplier shall at all times achieve one hundred percent (100%) on-time delivery. Any premium shipping expenses and other related expenses necessary to meet Buyer's delivery schedules shall be Supplier's sole responsibility. Supplier shall be liable for all direct, incidental, consequential and other damages, losses, costs, charges and expenses incurred by Buyer resulting from the failure of Supplier to deliver timely conforming Products. It is Supplier's obligation to retain adequate capacity and sources of supply to meet Supplier's obligations to deliver which may fluctuate substantially.

5.2. Excess Quantities. Deliveries in advance of Buyer's specified delivery dates, or of quantities in excess of those authorized by Buyer, shall be at Supplier's risk of loss, and shall, at the sole option of Buyer, be returned to Supplier at Supplier's expense or disposed of by Buyer without any liability to Buyer. Buyer shall have no obligation to accept any partial shipments and, if accepted, Buyer shall only be obligated to pay for conforming Products actually delivered and accepted.

5.3. Notice of Potential Delay. Supplier, when it has reason to believe that deliveries will not be made as scheduled, shall provide immediate written notice to Buyer, setting forth the cause of such anticipated delay and an expeditious recovery plan for Products that may not be delivered as scheduled.

5.4. Notice of Risk of Injury and Damage. Supplier must notify Buyer in writing, without undue delay after discovering any conditions, whether or not a nonconformity, relating to the Product, that may contribute to a risk of death, injury or property damage. Buyer and Supplier shall fully cooperate to identify the cause of the condition and develop a prompt plan for its resolution without affecting Buyer's right to claim damages or to terminate the Purchase Order.

6. Inspection, Acceptance of Products and Access to Premises.

6.1. Buyer's Access. Buyer and its customers may, but shall be under no obligation to, inspect and/or test the Products or components to be furnished under the Purchase Order at the locations where the Products are being manufactured or work is being performed, including those of Supplier's suppliers. Supplier shall provide, without additional charge, reasonable facilities and assistance for safe and convenient inspection and/or testing.

6.2. Performance Location. Neither Supplier nor Supplier's suppliers shall change the location where Products are being manufactured or work is being performed without the prior written consent of Buyer.

6.3. Buyer's Inspection of Product. Buyer may elect not to conduct any inspections of the Products before and after delivery, and Supplier waives any rights to require Buyer to make such inspections. Neither Buyer's failure to conduct an inspection nor Buyer's payment for any nonconforming Products shall constitute Buyer's acceptance of such Products, limit Buyer's right to assert any remedy available to it, or relieve Supplier of any of its warranties or obligations under the Purchase Order or applicable laws. If Buyer elects to inspect the Products, Buyer may at any time conduct one hundred percent (100%) inspection of Products or any lot of Products or, at Buyer's option, Buyer may select and inspect samples thereof, Buyer shall have the right to reject all or any portion of the Products or lot of Products if any such inspection reveals that any Product is defective or nonconforming. Buyer may require Supplier to pay all costs related to such inspection, including but not limited to charges for sorting, containment, storage and other related costs. If a delivery of any Products or a lot of Products contains corrected Products, Supplier shall disclose to Buyer, prior to delivery, the extent of such corrections and identify the corrected Products included in such delivery.

6.4. Final Acceptance and Risk of Loss. Notwithstanding payment, passage of title to Buyer or any prior inspection or testing, all Products are subject to final inspection and acceptance or rejection at Buyer's Plant and/or its customer's locations. Risk of loss of all Products subject to the Purchase Order shall remain with Supplier until delivery and final acceptance of the Products at Buyer's Plant.

6.5. Buyer's Right of Access. If Supplier experiences any delivery or operational problems in providing Products pursuant to the Purchase Order, Buyer may, at its option, designate a representative to be present

in Supplier's facility to observe its operations in connection with the manufacturing or supply of Products. If Buyer or any of Buyer's affiliates provides any financial or other accommodations to Supplier to enable Supplier to perform its obligations under the Purchase Order, Supplier (a) shall reimburse Buyer or its affiliates for all costs (including fees of attorneys and other professionals) incurred in connection with such accommodation, and (b) shall grant Buyer a right, secured by a first priority lien reflected in an access and security agreement in a form provided by Buyer, to use Supplier's premises, machinery, equipment and other property necessary for the production of the Products pursuant to the Purchase Order for a reasonable compensation to be established by Buyer.

7. Nonconforming Products.

7.1. Buyer's Rights as to Non-Conforming Products. If any Products delivered pursuant to the Purchase Order are nonconforming in any material or non-material manner with the Purchase Order, Buyer may reject the Product and, at its option and without limiting its other remedies for a default under the Purchase Order or applicable law: (a) reduce the quantities of Products ordered or released under the Purchase Order by any amount, (b) require Supplier to replace nonconforming Products, (c) return to Supplier, or scrap or otherwise dispose of without any liability to Supplier, any nonconforming Products and receive full credit for the price of such Products and any costs associated with inspecting, sorting, containing, storing, scrapping and returning such Products, (d) either itself or through others, rework, correct or otherwise alter any such Products, at Supplier's expense, for the purpose of making them conforming or (e) exercise any other remedies available to it hereunder, under the Purchase Order or applicable law. All direct, incidental, consequential and other damages, losses, costs, freight, charges and expenses incurred by Buyer as a result of the failure to deliver conforming Product or associated with any of the foregoing remedies shall be the responsibility of Supplier and may be deducted by Buyer from any amount due to Supplier or Supplier's affiliates or otherwise recoverable by Buyer.

7.2. Redelivery to Buyer. All returns of the Products by Buyer to Seller shall be considered as a final rejection. Any returned Product may be redelivered to Buyer only with the prior written consent of Buyer and consistent with the Buyer's normal delivery schedule and process. All Products that are manufactured specifically for Buyer and which are rejected by Buyer must be rendered useless or scrapped by Supplier at its expense.

7.3. Raw Material Cost of Rejected Products. In the case of return or rejection set forth in Section 7.2 hereof, any raw material used to manufacture the Product which was owned or provided to Supplier by Buyer, shall, at the option of Buyer, be replaced by Supplier with raw material of equal origin and identical technical specification, or be paid for by Supplier at prices in effect at the time of Buyer's exercise of its option.

7.4. Disclaimer of Obligation. Notwithstanding anything to the contrary stated in the Purchase Order, Buyer shall not be required to return to Supplier the rejected Products.

7.5. Removal of Buyer's Trademarks. Buyer is authorized to eliminate its trademarks placed on the rejected Products, even if this makes them useless.

7.6. Taxes on Rejected Products. Supplier shall pay or reimburse Buyer for all the expenses and damages arising from or related to a potential recovery of the taxes that were levied on the rejected Products.

8. Price and Terms.

8.1. Payment Terms. Payment terms and any discounts for early payment shall be as set forth in the Purchase Order. The payment dates shall be calculated from the date acceptable invoices are received or the date conforming Products are received, whichever last occurs. Invoices shall conform to legal requirements and requirements provided by Buyer to Supplier in writing, and Buyer may reject any invoices that do not conform to such requirements. Any cash discount or settlement discount period offered by Supplier shall be calculated from the date acceptable invoices are received or the date conforming Products are received, whichever last occurs. All prices are inclusive of applicable freight charges and duties unless otherwise agreed and any discount shall be taken on the full amount of the invoice. All payments are subject to adjustment for shortage or rejection of Products.

8.2. Price Adjustments. Prices may not be increased unless authorized by an amended Purchase Order issued and signed by an authorized representative of Buyer.

8.3. Most Favored Pricing. Supplier represents that the prices and terms for the Products covered by the Purchase Order are no less favorable to Buyer than Supplier offers to any other customer for the same or similar products or services in similar quantities. Should more favorable prices or terms be provided by Supplier to any other customer for the same or similar products or services in similar quantities, Buyer shall be provided the same price and terms as of the time they were first offered to another customer.

8.4. Price Adjustments. Supplier agrees that any price reduction made in goods or services of the type covered by the Purchase Order subsequent to the placement of the Purchase Order shall be applicable to Products purchased under the Purchase Order, and Buyer shall be entitled to an appropriate credit for the amount of such reduction.

8.5. Lowest Prices. Supplier's price shall not exceed the lowest prevailing market price, and in no event shall invoices be submitted at prices higher than the last prices previously quoted or charged by Supplier, whichever is lower, without the prior written consent of an authorized representative of Buyer.

8.6. Cost Reduction Flow-Through. Any reduction in Supplier's cost resulting from a reduction in freight rates, custom duties, import taxes, excise taxes, sales taxes and/or other similar costs from those in force on the date of the Purchase Order shall result in a corresponding reduction of the price of the Products ordered by Buyer. Supplier shall provide Buyer and its representatives with reasonable access to Supplier's records as shall be requested by Buyer, to confirm, audit and calculate invoiced amounts.

8.7. Product Performance. Supplier acknowledges that the Products may be incorporated into other goods or systems sold by Buyer to its customers. Supplier shall assure that the Products will function within goods or systems sold by Buyer to its customer and goods or systems sold by Buyer's customer.

8.8. All Inclusive. All prices are inclusive of all items including but not limited to packaging, engineering, taxes, transportation, taxes, duties, and insurance. There shall be no change in prices without an amended Purchase Order. Supplier shall not proceed with any change in performance not authorized by an amended Purchase Order or a written directive to proceed subject to an equitable adjustment under Section 10.

9. Quality Assurance.

9.1. Quality Assurance System. Supplier shall provide and maintain a quality assurance system which shall assure that all Products delivered to Buyer conform to the requirements of the Purchase Order and applicable law, whether manufactured or processed by Supplier or by Supplier's suppliers.

9.2. Buyer's Quality Standards. Supplier shall continually improve the quality of the Products. In case the Purchase Order is issued by a Buyer from the Maxion Wheels division, Supplier shall comply with all requirements of the Maxion Wheels General Quality Standards and the Maxion Wheels Global Manual for Supplier Requirements or, in case the Purchase Order is issued by a Buyer of the Maxion Structural Components division with the Maxion Structural Components General Quality Standards for Suppliers in effect at the time a Purchase Order is issued by Buyer, which are hereby incorporated into the Purchase Order by reference. If Supplier does not have a copy, Buyer will provide a copy of the applicable General Quality Standards and the Maxion Wheels Global Manual for Supplier Requirements to Supplier upon request.

9.3. Industry Standards. Without limiting the foregoing, Supplier shall comply with all quality requirements, procedures and standards, as specified by Buyer, which may include the most recent versions of one or more of the following standards and procedures or any successors to or replacements of such standards and procedures, depending on the nature of the Products and location of Buyer's Plant: IATF 16949, ISO 14001, ISO 9001, DIN EN ISO 9001ff, Automotive Industry Action Group (AIAG) manuals, German Association of the Automotive Industry (VDA) – VDA Publication 6 and other VDA publications.

Supplier shall be certified, at Supplier's expense, as compliant with the applicable standard, by a third party acceptable to Buyer.

9.4. Quality Records. Supplier shall maintain adequate records of all inspections, tests and the corrective action taken by Supplier with respect to non-conforming and conforming Products. Such records shall include such information and meet such other requirements as may be required by applicable Buyer and industry standards or as otherwise required by Buyer. Such records shall be retained by Supplier for the period set forth in Section 36.4 and shall be subject to Buyer's audit at any time.

10. Changes to Purchase Order.

10.1. Buyer's Right to Change. Buyer reserves the right, for any reason and at any time, to make changes in the Purchase Order, including, without limitation, changes to any one or more of the following: (a) the drawings, designs or specifications of the Products, (b) the quantities of Products, method of shipment or packaging of the Products, (c) the place or time of inspection, delivery or acceptance of the Products.

10.2. Equitable Adjustments. If such change causes an increase or decrease in the cost of or a time or other required performance of the Purchase Order, an equitable adjustment, as determined by Buyer in its sole discretion, shall be made in the price or delivery schedule or both, as Supplier's exclusive remedy. No claim by Supplier for adjustment hereunder shall be considered unless made in writing within ten (10) days from the date notice of a change is given by Buyer. Claims made not within such term shall be deemed as waived and void.

10.3. Continuous Performance. Nothing in this Section 10 shall excuse Supplier from proceeding with performance of the Purchase Order as changed, and Supplier's claims related to proceeding with a change are subject to Section 10.2. No price increases, costs, charges or other amounts, extensions of time for delivery or other changes shall be binding on Buyer unless evidenced by an amended Purchase Order issued by Buyer in accordance with Section 2.

11. Ingredients and Hazardous Materials.

11.1. Safety Data Sheets. Whenever required by applicable law or upon Buyer's request, Supplier shall promptly furnish to Buyer, in such form and detail as Buyer directs, a material safety data sheet including at a minimum: (a) a list of all ingredients in the Products and any other goods or property brought by Supplier or by any of Supplier's employees, agents or contractors to Buyer's Plant, (b) the quantity of all such ingredients and (c) information concerning any changes in or additions to such ingredients.

11.2. Transportation of Hazardous Materials. Prior to, and together with, the shipment of the Products, Supplier shall furnish to Buyer and all carriers sufficient written warnings and notices (including appropriate labels on the Products, goods, property, containers and packaging) of any hazardous material that is an ingredient or a part of any of the Products, goods or property, together with all special handling instructions, safety measures and precautions as may be necessary to comply with applicable law, so as to inform Buyer and all carriers of any applicable legal requirements and to best allow Buyer and all carriers to prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Products, containers and packaging.

11.3. Supplier's Activities at Buyer's Plant. Following acceptance of the Products by Buyer, and except if otherwise previously accepted by Buyer in written, all goods and property of Supplier or any of Supplier's employees, agents or contractors brought to Buyer's Plant shall be promptly uninstalled or removed by Supplier at its expense, together with any waste produced by them. They shall be disposed of by Supplier in accordance with applicable law. Supplier shall at all times comply with all environmental, safety and other rules and regulations of Buyer.

12 Taxes.

12.1. Taxes Included. Except as may be otherwise provided on the face of the Purchase Order, the price includes, and Supplier shall pay, all federal, state, municipal or local taxes, duties and fees imposed by any foreign or domestic governmental authority applicable to provision of the Products. All taxes shall be shown as separate line items and as included in the price.

12.2. Separately Stated. Where Supplier is required by law to collect any taxes for which Buyer has not furnished evidence of an exemption to Supplier, Supplier shall separately state on its invoice any such taxes lawfully applicable to the Products and payable by Buyer. Supplier shall not collect or invoice for any such taxes if Buyer has provided evidence of an exemption.

12.3. Tax Indemnity and Credits. Supplier shall comply with all requirements imposed on Supplier by any applicable taxing statutes and shall indemnify Buyer against any amounts assessed against Buyer arising from Supplier's failure to so comply. Supplier shall provide Buyer with all documents Buyer may require to claim a credit, rebate, refund or other relief from such taxes.

12.4. Withheld Taxes. Buyer will withhold from payments to Supplier all amounts Buyer is required by applicable law to withhold. Buyer shall pay the amount withheld to the relevant governmental authority in accordance with applicable law and, upon Supplier's request, provide Supplier with a copy of any receipt for payment issued by the governmental authority.

13. Intellectual Property Rights.

13.1. Non-Infringement. Supplier warrants that the Products and the purchase, manufacture, incorporation into Buyer's goods and systems and the use, marketing, sale, modification, repair and/or reconstruction thereof (including before and after incorporation into Buyer's goods and systems during manufacture, if applicable) do not and will not infringe any patent, trademark, copyright, trade secret, industrial design right or other intellectual property right of any third party in any jurisdiction.

13.2. License to Buyer. Supplier hereby grants to Buyer, each party or entity to which the Products are provided, and each of their affiliates, agents, suppliers and contractors, a fully paid, unrestricted, worldwide, irrevocable and perpetual license to all intellectual property rights regarding the Products, including without limitation all software, drawings, specifications, data, documentation and know-how so as to enable the purchase, manufacture, incorporation into Buyer's goods and systems and the use, marketing, sale, modification, repair and/or reconstruction of the Products or any components, parts or sub-assemblies thereof in any manner. Supplier warrants that it is aware of the uses to which the Products are to be put, and that Supplier has full right to grant said license.

13.3. Remedies for Infringement. If the purchase, manufacture, incorporation into Buyer's goods or systems or the use, marketing, sale, modification, repair and/or reconstruction of the Products, or any part thereof, is alleged to constitute infringement or is enjoined or, in Buyer's sole judgment, is likely to be enjoined, Supplier shall, at its own expense and without limiting its other obligations or the rights of Buyer under the Purchase Order or applicable law, obtain for Buyer and its customers the right to continue the purchase, manufacture, incorporation into Buyer's goods or systems or the use, marketing, sale, modification, repair and/or reconstruction of the Products. If Supplier cannot obtain such rights then Supplier shall, at the option of Buyer, either modify the Products so they become non-infringing while continuing to conform to all warranties and other requirements of the Purchase Order, or remove the Products and refund the price and all transportation, installation and other costs thereof. Supplier shall be liable for all direct, incidental, consequential and other damages, losses, costs, charges and expenses incurred by Buyer resulting from the violation of intellectual property rights by Supplier.

13.4. Buyer's Right to Inventions. If the Purchase Order involves or performance thereunder results in: (a) any invention or any experimental, developmental or research activities, including engineering related thereto, (b) any reduction to practice, (c) application or discovery which could be patented, copyrighted, or otherwise perfected or protected or (d) any improvement in the design of the Products or any alternative or improved method of accomplishing the objectives of the Purchase Order (collectively, "Inventions"), such Inventions shall be owned by Buyer and shall be deemed confidential and proprietary property of Buyer. Supplier agrees to and does hereby assign to Buyer all right, title and interest in any intellectual property rights in such Inventions, and Supplier shall cooperate, and cause its employees and contractors to

cooperate, in executing any documents and taking any other actions necessary or convenient to evidence such assignment or to patent or otherwise perfect or protect such Inventions for the benefit of Buyer.

13.5. Rights of Authorship. All works of authorship, including without limitation, technical data related to the Products, design documents and drawings, software, computer programs and databases, and all enhancements, modifications and updates thereof and all written work products or materials which are created in the course of performing the Purchase Order are the sole property of Buyer. To the extent that such works of authorship do not become property of Buyer, Supplier agrees to and does hereby assign to Buyer all right, title and interest in any intellectual property rights in such works of authorship, and Supplier shall cooperate, and cause its employees and contractors to cooperate, in executing any documents and taking any other actions necessary or convenient to evidence such assignment.

14. Non-Disclosure of Proprietary Information.

14.1. Buyer's Information. Any information or knowledge which Buyer may have disclosed or may hereafter disclose to Supplier in connection with the Products or the Purchase Order shall be deemed confidential and proprietary information of Buyer and shall not be disclosed by Supplier to any third party without the prior written consent of an authorized representative of Buyer. Buyer retains ownership of all proprietary rights in any information disclosed to Supplier in connection with the Products or the Purchase Order.

14.2. Supplier's Information. Any information or knowledge which Supplier may have disclosed or may hereafter disclose to Buyer in connection with the Products or the Purchase Order shall not, unless otherwise specifically agreed upon in writing by an officer of Buyer, be deemed to be confidential and proprietary information, and accordingly shall be acquired by the Buyer free from any restriction. Notwithstanding anything to the contrary herein contained, no employee of Buyer has authority to make any agreement, express or implied, limiting the use or publication of, or providing for confidential treatment of information of whatever kind, unless such agreement is made in writing and signed by a duly authorized representative of both parties.

15. Product Warranties.

15.1. Express Warrantees. In addition to any other express or implied warranties provided by these General Terms and Conditions, applicable law or otherwise, Supplier warrants and guarantees to Buyer, its successors, assigns and customers that each Product shall: (a) be new and conform to the Purchase Order in all respects, (b) conform to all specifications, drawings, samples, brochures, manuals and other descriptions furnished by, or accepted in writing by, an authorized representative of Buyer, (c) comply with applicable standards in the industry and standards issued under all laws applicable to Buyer, Supplier and

the Products, (d) be merchantable and fit for the purpose for which intended at the part, system and vehicle (or other end product) levels and Supplier acknowledges that it knows of Buyer's intended use, (e) be of the highest quality, and free from all defects in design, materials and workmanship and (f) be free and clear of any and all liens and encumbrances of whatsoever nature and kind.

15.2. Warranty Period. The warranty period for the warranties set forth in Section 15.1 shall be the longest of: (a) five (5) years, (b) the period provided by applicable law, or (c) the warranty period Buyer provides its customers for goods that include the Products. All warranties of Supplier, express or implied, and all remedies of Buyer, in this Section or elsewhere, shall survive indefinitely after any delivery, inspection, tests, acceptance, payment or processing.

15.3. Warranty of Competitiveness. Supplier warrants that it is and shall at all times remain competitive in terms of price, quality, delivery, technology and service, with respect to the supply of the Products.

15.4. Warranty Sharing Agreements. If Buyer is or becomes a party to a warranty sharing agreement with Buyer's customer, the Supplier shall upon Buyer's request, sign a similar agreement with Buyer.

16. Default and Remedies.

16.1. Events of Default. Supplier shall be in default under the Purchase Order if: (a) Supplier does not comply with the Purchase Order in all respects, (b) any Products provided by Supplier do not conform to the warranties or other requirements of the Purchase Order, whether such non-conformity is discovered before or after acceptance of the Product by Buyer, (c) Supplier makes any assignment of its obligations and/or rights hereunder or under the Purchase Orders for the benefit of third parties, including creditors, (d) bankruptcy, insolvency or similar proceedings are instituted by or against Supplier, or (e) at any time in Buyer's sole judgment Supplier's financial or other condition or progress on the Purchase Order shall be such as to endanger the quality of the Products or Supplier's timely performance.

16.2. Remedies. Upon any default hereunder, in addition to all other remedies hereunder or under applicable law or in equity, Buyer may exercise any one or more of the following remedies: (a) cancel or delay acceptance of all or any portion of the Purchase Order without liability, except the obligation to pay the price for conforming Products received by Buyer prior to cancellation and accepted in accordance with the Purchase Order, (b) require Supplier to repair or replace any or all Products determined by Buyer to be non-conforming, at Buyer's option and at Supplier's sole expense, either at Buyer's Plant or at any other location designated by Buyer, (c) require Supplier to pay all transportation and other charges arising from delivery, storage and return of Products, (d) purchase replacement Products from a third party and recover from Supplier any excess in the price of the same over the price agreed in the Purchase Order, (e) recover from Supplier any and all direct, incidental, consequential or other damages, losses, costs, charges and

expenses relating to such default and any debits or set-offs made by Buyer's customer as a result of such default, (f) in the event of late delivery, impose a charge of 0.5% of the price of the Purchase Order in case Products are delivered late for each started week that delivery is late and (g) recover reasonable attorneys' fees and costs of advising as to enforcing rights and enforcing rights, suit, plus interest on all of the foregoing at the highest rate permitted by applicable law. Supplier shall cooperate promptly and without charge in the resourcing of the supply of the Product.

16.3. No Waiver. No delay by Buyer in the enforcement of any provision of the Purchase Order shall constitute a waiver thereof, and no waiver given on one occasion shall constitute a waiver on any other occasion or of any other provision.

17. Indemnification.

17.1. Injuries, Death, Property Damages and Environmental. Supplier shall indemnify, defend and hold harmless Buyer, its affiliates, customers and each other third party to which Products or Buyer's products which incorporate Products are provided, and each of their shareholders, members, directors, officers, employees and agents (the "Indemnified Parties") from and against any and all claims, demands, actions, causes of action, suits, judgments, settlements, litigation and other costs, fees, charges, expenses, penalties, direct, incidental, consequential and other damages, attorneys' fees and all other losses, liabilities and obligations whatsoever ("Losses") arising out of or relating to personal injuries, illness or death of any person, damage to any real or personal property or any spill, discharge or emission of hazardous wastes or substances, alleged to have resulted, in whole or in part, from: (a) any manufacturing, materials, design or other defect, failure to warn, improper handling, improper operating or improper installation instructions with respect to any of the Products, (b) the performance by Supplier or any of Supplier's employees, agents or subcontractors of any services, whether on the property of Buyer, Supplier or any third party or (c) any other act or omission of Supplier or any of Supplier's employees, agents or subcontractors.

17.2. Commercial. Supplier shall indemnify, defend and hold harmless the Indemnified Parties from and against any and all Losses arising out of or relating to: (a) any actual or alleged breach of warranty or other failure of any Products to conform with the requirements of the Purchase Order, (b) Supplier's breach of the Purchase Order or any other agreement between Buyer and Supplier, (c) any recall campaign or field service action in which Buyer, any customer of Buyer or any third party participates to the extent it is related to any of the Products or is the fault of Supplier, or (d) any labor claims commenced by Supplier's employees, representatives or subcontractors based upon or in connection with the Products.

17.3. Infringement. Supplier shall indemnify, defend and hold harmless the Indemnified Parties from and against any and all Losses arising out of or relating to any alleged infringement of any patent, trademark,

copyright, trade secret, and industrial design right or other intellectual property right based on the Products, even if the Products are made or performed to Buyer's specifications.

17.4. Exceptions. Supplier's indemnification shall be reduced solely to the extent that Losses are clearly shown to have resulted solely and directly from the gross negligence or willful misconduct of Buyer. Supplier's indemnification shall continue notwithstanding any delivery, inspection, tests, acceptance, payment or processing by the Buyer.

17.5. Interest and Buyer's Involvement. Supplier shall pay interest at the highest rate permitted by applicable law on all indemnification amounts owed. Buyer may at its option control or participate in the defense of any third party claim with its own counsel, at Supplier's expense, and Supplier shall fully cooperate with Buyer in the defense of any such claim.

18. Cancellation or Termination for the Convenience of Buyer.

18.1. Right to Cancel or Terminate. In addition to any other rights of Buyer to cancel or terminate the Purchase Order under these Terms and Conditions or applicable law, Buyer reserves the right, at any time and for any reason, to cancel or terminate any or all undelivered portion of the Purchase Order.

18.2. Payment to Supplier. In the event of a cancellation or termination under Section 18.1, Buyer shall pay to Supplier, as Supplier's sole and exclusive recovery from Buyer, the following amounts, without duplication, as determined by Buyer: (a) the price for Products delivered to Buyer in accordance with approved delivery schedules or releases prior to cancellation and accepted in accordance with the Purchase Order and (b) the reasonable and duly evidenced direct out-of-pocket costs incurred by Supplier in connection with finished work, work-in-process and other parts and materials produced or acquired pursuant to authorized releases, call-offs or delivery schedules under the Purchase Order and which Supplier cannot use for itself or for others. Supplier shall use its best efforts to mitigate such costs.

18.3. Limitation on Buyer's Recovery. Notwithstanding the foregoing, if the Products are incorporated into other goods sold by Buyer and Buyer's customer cancels its contract for goods incorporating the Products or any undelivered portion thereof in connection with such customer's insolvency, bankruptcy, receivership, liquidation or other similar proceedings, then Buyer may cancel the Purchase Order for such Products or any undelivered portion thereof and Supplier's right to recover under this Section shall be limited to the lesser of: (a) a percentage of Buyer's actual net recovery from its customer in connection with such cancellation as approved by the relevant insolvency court (after deducting from the gross recovery all of Buyer's costs, fees and expenses incurred in obtaining such recovery); such percentage shall be equal to the percentage of Buyer's total claim for costs in connection with the termination or rejection represented by the price of such Products or (b) the amount otherwise determined in accordance with Section 18.2.

Upon cancellation by Buyer of any Purchase Order, Buyer shall be liable only for the price of the work completed prior to such cancellation.

18.4. Seller's Exclusive Remedy. Any claim for payment for Buyer's termination for convenience must be made in writing within ten (10) days from the date notice of termination is given by Buyer. Except as expressly provided in these Terms and Conditions, Buyer will not be liable and will not make any payments to Supplier for claims of Supplier's subcontractors, loss of anticipated profits, overhead costs, interest, development and engineering costs, facilities and equipment costs, depreciation costs, general and administrative burden charges or other similar claims related to termination for Buyer's convenience. Buyer will not pay for any work performed after notice of termination is given by Buyer or costs which Supplier could reasonably have avoided.

18.5. Maximum Recovery. In no event will the amount payable under this Section exceed the aggregate price that would have been paid for finished Product to be delivered under the releases, call-offs or delivery schedules outstanding on the date of termination.

18.6. Supplier's Property. Where the cost of any property of Supplier is included in Supplier's claim, such property must have been acquired and used by Supplier exclusively to produce Products for Buyer pursuant to the Purchase Order, the claim must be supported by documentation from Buyer authorizing Supplier to acquire the property and Buyer shall have the right to take title thereto and prescribe the manner of disposition thereof.

18.7. Excluded Remedy. The provisions of this Section 18 shall not apply if all or any portion of the Purchase Order is cancelled or terminated by Buyer due to the default of Supplier.

18.8. Limitation of Rights. Without waiving claims for monetary damages, Supplier waives any right to terminate or cancel a Purchase Order or seek equitable remedies that would interrupt the supply of Products. Even if Buyer is in material breach, Supplier shall continue to perform its obligations under the Purchase Order so long as Buyer continues to pay to Supplier amounts not in dispute.

19. Buyer's Property.

19.1. Tools. Supplier shall not purchase for the account of Buyer or charge to Buyer the costs of any tools, dies, jigs, molds, fixtures, patterns or other materials or equipment (collectively, "Tools") used or useable for producing Products pursuant to the Purchase Order, unless such Tools have been listed on the Purchase Order. Where Tools are included in the Purchase Order, they shall be purchased by Supplier as agent for Buyer and Buyer shall pay Supplier the lesser of: (a) the amount specified in the Purchase Order for such Tools or (b) Supplier's actual, out-of-pocket costs to acquire or fabricate such Tools. Buyer shall have the

right to audit Supplier's books and records related to such Tools. Supplier acknowledges that all Tools so listed on the Purchase Order, all Tools otherwise supplied by Buyer, and all Products returned by Buyer for repair or pending replacement (collectively, "Buyer's Property") are and shall be owned by Buyer and shall be used only for the production of Products for Buyer. Supplier shall have only temporary possession of Buyer's Property, and shall deliver all or any part thereof to Buyer immediately upon demand.

19.2. Maintenance. Supplier at its own expense shall keep all Buyer's Property maintained in good working order in accordance with the manufacturer's specifications and in keeping with the quoted capacity of record. Any replacement parts installed on Buyer's Property or any other modifications or improvements thereto shall become the Property of Buyer. Supplier shall maintain records of all maintenance and repairs performed on Buyer's Property. Supplier shall advise Buyer if Supplier believes the Tools need to be replaced and arrange for replacement Tools at Supplier's cost to avoid any delay in production.

19.3. Risk of Loss. Supplier shall bear the risk of loss and damage of such Buyer's Property at all times while in Supplier's possession and until returned to the possession of Buyer, and Supplier shall keep Buyer's Property insured for its full replacement cost for the benefit of Buyer.

19.4. Location. Supplier shall keep Buyer's Property segregated from all other assets and labeled as being the property of Buyer. Buyer shall not be required to pay any amounts to Supplier for storage. Supplier shall not move Buyer's Property from Supplier's premises or make use or dispose of Buyer's Property for any purpose other than providing the Products without the prior written consent of Buyer.

19.5. Consent to Suppliers Ownership. Supplier shall immediately sign and file documents requested by Buyer to evidence its ownership thereof.

19.6. Certificate of Insurance. Supplier shall provide Buyer with a Certificate of Insurance acceptable to Buyer showing the amount of coverage on Buyer's Property, policy number and date of expiration of the insurance, naming Buyer as loss payee and requiring that Buyer be given thirty (30) days written notice prior to any modification, lapse or cancellation of any policy. If Buyer's Property is lost or damaged while in Supplier's possession, Supplier shall, at Buyer's option, replace the same at Supplier's expense or indemnify Buyer for the costs of such replacement.

19.7. Delivery to Buyer. At Buyer's request, Buyer's Property will be immediately released to Buyer or its designees or delivered to Buyer's designated carrier at Supplier's premises, properly packed, marked and loaded in accordance with the requirements of Buyer's designated carrier. Buyer and its designees shall have the right, at any time upon written notice to Supplier and without further legal action, to enter the premises of Supplier to take immediate possession of Buyer's property. Supplier waives any further notice or process and agrees to provide Buyer or its designees with access to its premises and to cooperate with

Buyer or its designees taking possession of Buyer's Property. Supplier authorizes Buyer to execute and record such financing statements and similar documents as Buyer determines are necessary to reflect Buyer's interest in Buyer's Property.

19.8. Buyer's Ownership. Nothing herein shall be construed as imposing any obligation on Buyer to furnish to Supplier any designs, sketches, drawings, blueprints, patterns or any Buyer's Property and Buyer does not guarantee the accuracy or adequacy of any such items supplied by it.

20. Supplier's Property.

20.1. Unless otherwise provided in the Purchase Order, Supplier shall, at its expense, furnish, keep in good condition and replace any Tools necessary for the production of the Products. Supplier hereby grants to Buyer the option of purchasing any Tools owned by Supplier that are specially designed, assembled or produced for the production of the Products, upon payment to Supplier of the net book value of such Tools as used in preparing Supplier's federal income tax returns, less any amounts that Buyer has previously paid to Supplier for the cost of such Tools.

21. Insurance.

21.1. Required Coverages. In addition to all other insurance coverage required by applicable law or these Terms and Conditions, or as requested by Buyer, Supplier shall provide workers' compensation, automobile and comprehensive general liability insurance, including coverage for contractual liability, products liability and completed operations, in amounts and with coverages acceptable to Buyer. Buyer shall be named as an additional insured on such policies (other than the workers' compensation insurance policy).

21.2. Certificate of Insurance. Upon request by Buyer, Supplier shall promptly furnish Buyer with a Certificate of Insurance acceptable to Buyer showing the amount of coverage, policy number and date of expiration of the insurance, indicating that Buyer is an additional insured on such policies (other than the workers' compensation insurance policy) and requiring that Buyer be given thirty (30) days written notice prior to any modification, lapse or cancellation of any policy. If Supplier is self-insured for workers' compensation coverage, Supplier shall, if requested by Buyer, provide the applicable certificate establishing such status to Buyer.

21.3. Waiver of Subrogation. Supplier, on behalf of itself and its insurers, hereby waives any right of subrogation against Buyer for any liability, costs or expenses imposed on Supplier or its insurers. The purchase of insurance will not limit or release Supplier from Supplier's obligations or liabilities under the Purchase Order.

22. No Liens. The Products shall be provided free and clear of any and all liens, security interests, pledges or encumbrances of any nature whatsoever. To the extent permitted by applicable law, Supplier hereby waives all construction, builders', materialmen's, mechanics' or similar liens and claims and agrees that none shall be filed or maintained against Buyer, Buyer's Property or Buyer's premises on account of any Products. Supplier shall cause all of its contractors, materialmen and suppliers (and their subcontractors) to provide similar waivers and agreements in forms satisfactory to Buyer. If any such liens or claims are filed or maintained against Buyer, Buyer's Property or Buyer's premises, Supplier shall immediately discharge such liens in a manner satisfactory to Buyer.

23. Force Majeure.

23.1. Limitation on Damages. Except as otherwise provided herein, Supplier shall not be liable for monetary damages for a reasonable delay or default in furnishing Products hereunder and Buyer shall not be liable for failure to perform any of its obligations hereunder, to the extent due to fire, flood, storm, other natural disaster, national emergency or war ("Event"), but not including delays or defaults due to labor problems, inability to obtain financing, increases in the cost of raw materials or energy, negligence or other fault of the party claiming the delay, provided that the affected party has given the other written notice of such occurrence within five (5) days of becoming aware of the same. Such notice shall describe the Event causing the delay or default, the expected duration, remediation plans and plans for the supply or purchasing of Products during such event.

23.2. Buyer's Hold on Delivery. During any such Event that causes Buyer to delay delivery of the Products, Supplier shall hold any such delayed Products at the direction of Buyer and shall deliver them upon receipt of written notice from Buyer that the causes of the delay have been removed or terminated. Buyer will be responsible only for Supplier's direct additional costs (excluding for example, interest on the price) incurred in holding the Products or delaying performance at Buyer's request.

23.3. Buyer's Rights During Delay. During any such Event that causes Supplier to delay delivery of the Products, and in addition to any other rights of Buyer under the Purchase Order or applicable law, Buyer may: (a) purchase substitute Products from other available sources, in which case the quantities under the Purchase Order shall be reduced by the quantities of such substitute Products and Supplier shall reimburse Buyer for any reduction in quality or additional costs to Buyer from obtaining the substitute Products compared to the quality and prices set forth in the Purchase Order and (b) have Supplier provide substitute Products from other available sources in the quantities and at the times Buyer requests and at the prices set forth in the Purchase Order. During any such Event, if Supplier shall be required to allocate its available production capacity among its customers, then the volumes supplied under the Purchase Order as a proportion of such capacity shall be used, plus five percent (5%) of such volumes under the Purchase Order for each year Buyer has purchased Products from Supplier. If Supplier cannot provide adequate assurances

that a delay will not exceed ten (10) days or if a delay lasts more than ten (10) days, Buyer may terminate the Purchase Order without any obligation or liability to Supplier.

24. Labor Dispute or Material Shortage. At least sixty (60) days before the expiration of any of Supplier's labor contracts that may impact Supplier's performance under the Purchase Order and at any other time as soon as Supplier has knowledge that any actual or potential labor dispute, material shortage or other production difficulties may delay or threaten to delay its timely performance under the Purchase Order, Supplier shall notify Buyer of such event and, at Supplier's expense, produce and locate in an area that will not be affected by any such event a finished inventory of Products in quantities sufficient to ensure the supply of Products to Buyer for at least sixty (60) days after such event occurs.

25. Setoff and Recoupment.

25.1. Net Payment. In addition to any setoff or recoupment rights provided by applicable law, all amounts due from Buyer (or any of its subsidiaries and affiliates) to Supplier (or any of its subsidiaries and affiliates) shall be considered net of any indebtedness or other obligations due from Supplier (or any of its subsidiaries and affiliates) to Buyer (or any of its subsidiaries and affiliates).

25.2. Buyer's Right to Withhold. To the extent permitted by law, Buyer (or any of its subsidiaries and affiliates) shall have the contractual right at any time to setoff against or recoup from any amounts due or to become due from Supplier (or any of its subsidiaries and affiliates) to Buyer (or any of its subsidiaries and affiliates), however and whenever arising. If Buyer (or any of its subsidiaries and affiliates) reasonably feels itself at risk as to any amount owed by Supplier (or any of its subsidiaries and affiliates), Buyer (or any of its subsidiaries and affiliates) may withhold and recoup a corresponding amount due Supplier (or any of its subsidiaries and affiliates) to protect against such risk.

25.3. Buyer's Rights on Supplier's Insolvency. If an obligation of Supplier (or any of its subsidiaries and affiliates) to Buyer (or any of its subsidiaries and affiliates) is disputed, contingent or unliquidated, Buyer (or any of its subsidiaries and affiliates) may withhold payment of such obligation until it is resolved. Without limiting the foregoing, if Supplier (or any of its subsidiaries and affiliates) is subject to insolvency, bankruptcy, receivership, liquidation or other similar proceedings, then Buyer (or any of its subsidiaries and affiliates) may defer, through an administrative hold or otherwise, payment to Supplier (or any of its subsidiaries and affiliates) for Products.

26. No Advertising. Without the prior written consent of Buyer, Supplier shall not, in any manner, advertise or publish that Supplier is providing Products to Buyer pursuant to the Purchase Order or use any trademarks or trade names of Buyer in Supplier's advertising or promotional materials.

27. Buyer's Liability. In no event shall Buyer be liable for interest, loss of anticipated profits, penalties, incidental, consequential, special, punitive, exemplary or other damages or liabilities in connection with the Purchase Order, whether for breach of contract, late payment, property damage, personal injury, illness, death or otherwise, beyond the amount determined in Sections 10 or 18 or, if not applicable, the price for conforming Products accepted by Buyer. Any claim by Supplier under the Purchase Order must be brought against Buyer within the time period specified in the Purchase Order or, if no period is specified, the earliest of (a) one year after the date the claim arose or (b) the delivery to Buyer of the Products involved in the claim, or such claim shall be waived and forever barred.

28. Limitation on Assignment and Subcontracting. Supplier gives irrevocable consent to Buyer to assign or novate any of its rights or obligations under the Purchase Order to such party and on such terms as Buyer deems fit. Supplier agrees not to assign the Purchase Order, as well as the credits rights thereunder, or subcontract the performance of its duties without the prior written consent of an authorized representative of Buyer. If Supplier is authorized to use subcontractors, Supplier shall obtain from each subcontractor rights and obligations no less favorable to Buyer than the provisions of the Purchase Order and agree with the provisions of these Terms and Conditions. If Supplier fails to comply with the provisions in this Section, Buyer may, at its option, cancel the Purchase Order or any portion thereof without any liability whatsoever.

29. Compliance with Laws; Buyer's Code of Ethics.

29.1. Duty of Compliance. Supplier, and all Products supplied by Supplier, shall comply with all laws, rules, regulations, orders, conventions, ordinances, permits and standards (including industry standards) of the countries of origin and destination or that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval or certification of the Products, including, but not limited to, those relating to data protection, environmental matters, wages, hours and conditions of employment, subcontractor selection, discrimination, occupational health/safety and motor vehicle safety. Supplier shall also comply with all provisions of the Iochpe-Maxion S.A. Code of Ethics (available at www.iochpe.com.br) in effect at the time a Purchase Order is placed by Buyer. Supplier and its employees, agents and/or representatives shall fully comply with the requirements of the United States Foreign Corrupt Practices Act, the UK Bribery Act, Brazilian Law No. 12.846/2013 (Anti-Corruption Law) and all comparable anti-corruption and bribery laws and statutes of the countries in which the Supplier or Buyer does business. Supplier and its employees, agents and/or representatives shall fully comply with the requirements of all applicable laws and regulations relating to the protection, use and transfer of personal data, including without limitation the Regulation 2016/679 of the European Parliament and of the Council (General Data Protection Regulation).

29.2. Notification of Compliance or Breach. Upon Buyer's request, Supplier shall certify in writing its compliance with the foregoing. If Supplier suspects any violation or potential violation, by any party, of

any laws or of Buyer's Code of Ethics, Supplier shall promptly report the same to Buyer and shall cooperate with Buyer in any investigation or remedial action with respect to any such violation or potential violation.

30. Conflict Minerals.

30.1. Supply Chain Process for Compliance. Supplier recognizes, consistent with the public policy underlying enactment of the Conflict Minerals provision (Section 1502) of the US Dodd-Frank Wall Street Reform and Consumer Protection Act of the United States of America (the "Act"), the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten and gold (the "Conflict Minerals") from the Democratic Republic of the Congo and adjoining countries ("DRC Countries"). Supplier commits to comply with Section 1502 of the Act and its implementing regulations. Specifically, Supplier commits to having in place a supply chain policy and process to undertake (1) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into Products, (2) due diligence of its supply chain, as necessary, to determine if Conflict Minerals sourced from the DRC countries directly or indirectly support unlawful conflict there, and (3) risk assessment and mitigation actions necessary to implement in the country of origin inquiry and due diligence procedures.

30.2. Response to Inquiries. Supplier further agrees (1) to respond promptly to each inquiry by Buyer with such information regarding the source and chain of custody of all Conflict Minerals that may be contained in Products; (2) if Supplier previously responded to an inquiry, to notify Buyer if there is a change in status in whether Products contain Conflict Minerals; and (3) to cooperate promptly as required by Buyer with Buyer's efforts to comply with the Act. Supplier shall take all other measures as are necessary to comply with the Act and its implementing regulations, as they may be amended over time.

31. Governing Law and Jurisdiction.

31.1. Choice of Law and Venue. The Purchase Order is to be governed by and construed according to the laws of the country where Buyer's Plant is located, notwithstanding any choice of law provisions that would otherwise require application of any other law. The U.N. Convention on the International Sale of Goods shall not apply. Any legal action or proceeding by Supplier against Buyer arising out of the Purchase Order shall be brought by Supplier only in courts having jurisdiction over the location of Buyer's Plant. Any such legal action or proceeding by Buyer against Supplier may be brought by Buyer, at Buyer's option, in courts having jurisdiction over Buyer's Plant or any courts having jurisdiction over Supplier.

31.2. Jurisdiction. Supplier specifically consents and submits to the personal jurisdiction and venue of the courts described in this Section 31 and service of process in accordance with the applicable courts' procedures.

32. Severability. The Purchase Order shall be subject to and interpreted so as to comply with all applicable law. If any provision of the Purchase Order, or portion of any provision, is declared or found to be unenforceable under applicable law, such provision shall, if possible, be interpreted in a manner so as to be enforceable to the greatest extent possible under applicable law. The balance of the Purchase Order shall be interpreted as if the unenforceable provision or portion was interpreted according to the preceding sentence or, if such interpretation is not possible under applicable law, as if the unenforceable provision or portion had never been a part hereof. In no event shall the Purchase Order be invalid due to an unenforceable provision or portion of a provision of the Purchase Order.

33. Service Parts and Product Support.

33.1. Period of Supply. Supplier shall continue to provide Products, or any components of Products, as required by Buyer for a period of fifteen (15) years after the date of final shipment under the Purchase Order for use in production or for such period as Buyer is required to provide to its customer service or replacement parts incorporating the Products, whichever is longer.

33.2. Prices. During the first five (5) years after the date of final delivery, the prices for the Products shall be the prices specified in the Purchase Order. Thereafter, the prices for the Products shall be the prices specified in the Purchase Order, plus any actual cost increase for packaging and manufacturing, as determined by Buyer. If the Products are systems, Supplier shall sell the components, parts or sub-assemblies that comprise the system at prices that shall not, in the aggregate, exceed the price of the system, less assembly costs.

33.3. Technical Support. Further, during the period stated in Section 33.1, Supplier shall continue to provide technical support and service at the same level as required under the Purchase Order during development and production.

33.4. Termination and Transition of Supply. If Supplier discontinues the manufacture of the Products, or the components, parts or sub-assemblies or does not provide any of them in a timely manner for Buyer's requirements, Supplier shall make available to Buyer all software, drawings, specifications, tools, data, documentation and know-how which shall enable and facilitate Buyer, its suppliers and its customers to purchase, manufacture, incorporate into Buyer's Products, use, market, sell, modify, repair and/or reconstruct such Products, components, parts and sub-assemblies, all of which shall be subject to the license granted in Section 13.2.

34. Customs and Export Controls.

34.1. Duties. Credits or benefits resulting or arising from the Purchase Order, including trade credits, export credits or the refund of duties, taxes or fees, belong to Buyer. Supplier shall be responsible for all ordinary duties to the extent specified in the Purchase Order and shall always be responsible for any special duties, including but not limited to marking, anti-dumping and countervailing duties, except if otherwise specified in the Purchase Order. Supplier shall provide all information necessary (including written documentation and electronic transaction records) to permit Buyer to receive these benefits or credits, and to fulfill any customs related obligations, including information necessary to determine eligibility under any applicable duty preference rules of origin, as well as information necessary to comply with origin marking or labeling requirements and local content origin requirements.

34.2. Duty Deferral and Secure Shipping. Supplier shall make all arrangements that are necessary for the Products to be covered by any duty deferral or free trade zone programs for the country of import. To the extent any Products are to be imported into the United States, Supplier shall affirm that it is a participant in good standing of the Customs – Trade Partnership Against Terrorism (C-TPAT) initiative of the Bureau of Customs and Border Protection or otherwise Supplier shall confirm that it complies with all applicable requirements and recommendations of C-TPAT. Supplier shall certify such compliance in writing on the request of Buyer.

34.3. Compliance with Export Laws. Supplier hereby agrees to comply fully with all applicable economic sanctions and export control laws and regulations, including without limitation, whenever applicable, those regulations maintained by the U.S. Commerce Department's Bureau of Industry and Security ("BIS") and the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"). Without limiting the generality of the foregoing, Supplier shall not, (directly or indirectly) sell, provide, export, re-export, transfer, divert, loan, lease, consign, or otherwise dispose of any equipment, product, services, software, source code, technical data, or technology received from Buyer under this Agreement to or via any person, entity, or destination, or for any activity or end-use restricted by the laws or regulations of the United States or any other applicable jurisdiction without obtaining all required government authorizations. Supplier agrees to indemnify and hold harmless Buyer for Supplier's noncompliance with this provision. This provision shall survive termination or cancellation of the Purchase Order.

34.4. Export Licenses. Supplier shall obtain all export licenses or authorizations necessary for the export of the Products to the shipping destination unless otherwise indicated in the Purchase Order, in which event Supplier shall provide all information as may be necessary to enable Buyer to obtain such licenses or authorizations. Any performance obligation arising under the Purchase Order is contingent on the prior receipt of all necessary government authorizations, and Buyer shall not be liable for any breach, non-performance, or delay in performance related to the failure by the Supplier to obtain any such authorization.

35. Change in Control. In addition to all other rights it has under the Purchase Order, Buyer may terminate the Purchase Order, in whole or in part, without liability or obligation to Supplier (other than to pay for conforming Products accepted prior to the date of termination) upon a change of control of Supplier. A change of control includes: (a) the sale or other disposition of a substantial portion of the assets used in the production of the Products, (b) the sale or other disposition of a controlling interest in the equity of Supplier; (c) the execution of a voting agreement, proxy, trust or other agreement with respect to a controlling interest in the equity of Supplier; or (d) the lack of power to define the Supplier's business' resolutions and/or to appoint the majority of directors or officers of the Supplier. Supplier shall provide Buyer written notice of a change of control within ten (10) days after the change of control becomes effective. If Buyer elects to terminate the Purchase Order pursuant to this provision, Buyer will provide notice of termination to Supplier specifying the effective date of the termination. If Buyer terminates under this Section, Supplier's exclusive right is for payment as pursuant to a termination for convenience.

36. Audit Rights.

36.1. Right to Audit. Buyer has the right to audit and review Supplier's balance sheets, statements of operations, statements of cash flows, quality records and other documents relating to Supplier's performance under the Purchase Order and all other relevant books, records, receipts, cost data and other supporting data for the purposes of: (a) verifying any charges asserted by Supplier and Supplier's compliance with quality standards and all other requirements of the Purchase Order and applicable laws, and (b) assessing Supplier's ongoing ability to perform its obligations under the Purchase Order, and (c) compliance with the terms and conditions of the Purchase Order, these Terms and Conditions or applicable laws.

36.2. Recovery of Overcharges. If an audit reveals that Supplier has charged Buyer amounts in excess of those permitted by the Purchase Order, then, upon demand by Buyer, Supplier shall promptly refund the amount of such overcharge plus interest at the highest rate permitted by applicable law from the date originally paid by Buyer.

36.3. Recovery of Costs. Such audit shall be at Buyer's expense unless the audit reveals that the amounts charged by Supplier to Buyer for any period being audited are in excess of those permitted under the Purchase Order or that Supplier is not in compliance with applicable contractual or legal requirements, in which case Supplier shall reimburse Buyer for the costs of such audit upon demand.

36.4. Records Retention. Supplier shall retain all records described in Section 36.1 for a period of at least five (5) years following the final payment under the Purchase Order. Supplier shall provide Buyer with

reasonable access to its facilities and otherwise provide reasonable assistance in connection with such audits.

37. Language. Except to the extent prohibited by applicable, the English language version of these Terms and Conditions shall prevail, in the event of any disagreement over the meaning or construction of any provision in any translation and such translations, if provided, is for the convenience of Supplier and are for informational purposes only.

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