

1. This PO contains the entirety of the Terms and Conditions ("Terms") Fleet Engineers, Inc.'s ("Buyer's") offer. Buyer shall be bound by oral or written agreements not expressly included in this PO. Acceptance of the PO is expressly limited to and made conditional upon the exclusivity of the Terms and Conditions and is expressly made conditional upon Seller's assent to terms and conditions which differ from or are additional to those in Seller's offer. This PO may be amended and altered only by a writing signed by authorized representatives of both Seller and Buyer expressly referencing the terms or conditions being modified, and purporting to constitute an amendment to this PO. These Terms and Conditions apply to Buyer's purchase of all Products and/or services ("Product") from Seller as described on the face of the PO or other documents referenced on the face of such PO. The term Product includes but is not limited to: raw materials, supplies, components, tooling equipment and services. No PO is valid unless issued by Buyer on its official, electronic or otherwise generated, PO to the Seller. If there is an existing agreement executed by both Buyer and Seller, the terms and conditions of the executed agreement will prevail over the Terms hereunder.
2. Time is of the essence on this Purchase Order ("PO"). Buyer reserves the right to terminate all or any part of each PO without liability of Buyer to the Seller, in the event:
 - a) Seller repudiates, breaches, or threatens to breach any of the terms of the PO including without limitation, Seller's warranties,
 - b) Seller fails to perform or deliver Product as specified by Buyer,
 - c) Seller fails to provide Buyer with adequate and reasonable assurances of Seller's ability to perform timely any of Seller's obligations under any PO, including without limitation, delivery of Product, d) Buyer terminates for breach of any other PO issued by Buyer to Seller in accordance with the terms of such PO, e) Seller attempts an assignment or transfer of any interest without prior written approval of Buyer, f) Seller fails to remedy the breach or violation within three (3) days after receipt of written notice from Buyer, or g) Seller makes an assignment for the benefit of its creditors, commits any act of bankruptcy, has a receiver appointed, or otherwise admits of its inability to pay its debts as they mature, and Seller fails to remedy the breach or violation within fourteen (14) days after receipt of written notice from Buyer. Unless otherwise stated on the face of this document, the period allowed for payment of invoices will begin with the date of issuance of a correct invoice or the date of shipment of the material, whichever is later.
3. Seller shall indemnify and hold Buyer and its directors, officers, agents, employees, and/or its customers harmless from all claims, losses, suits, damages, liability, causes of action, judgments and all expenses, (including, but not limited to, reasonable attorney's fees, expert fees, court costs, and accounting costs) arising out of or related to (i) any allegation or other claim of patent, copyright, or trademark infringement, or use of any know-how, trade secret, process, idea, method, article of manufacture or other proprietary right of a third party by reason of use of the Product, including, but not limited to, manufacture, development, lease, or sale of the Product; (ii) any allegation or claim of false marking, labeling, advertising, or other misrepresentation of the Product; or (iii) any allegation or claim relating to manufacturing or product defects, and / or other claims related to injuries caused by the Product.
4. Buyer reserves the right to inspect all shipments after delivery and to reject any material that may be defective or not in accordance with specifications as to quality or performance. Seller shall make delivery to the specified destination by the due date stated on the PO or as otherwise agreed in writing. Any such stated due date is of the essence and Seller shall notify Buyer promptly if it reasonably anticipates that delivery will not be on time. Seller shall incur all costs related to unauthorized early delivery. Seller warrants that upon acceptance of delivery at the destination Seller will convey to Buyer good and marketable title to all Product free of any liens or encumbrances of any kind. Buyer shall not be obligated to buy or pay for, and Buyer or its designated representative may at any time after delivery reject, all or any part of a given delivery of Product that Buyer or its designated representative determine does not conform with the PO or agreed specifications. Seller shall retain or reacquire title to, and bear all risks of loss of such nonconforming Product and shall at its own expense be responsible for the return or disposal. Seller shall incur all costs related to Buyer's receiving nonconforming Product which costs include but are not limited handling, storing, and testing.
5. If price is omitted on order, except where order is given in acceptance of quoted prices, it is agreed that Seller's price will be lowest prevailing market price and in no event is this order to be filled at higher prices than last previously quoted or charged without Buyer's written consent.
6. In the event any article sold and delivered hereunder shall be defective in any respect whatsoever, Seller will indemnify and save harmless Buyer from all loss or expense by reason of all accidents, injuries, or damages to persons or property resulting from the use or sale of such article or which are contributed to by said defective condition.
7. If Seller performs services, or constructs, erects, inspects or delivers on Buyer's premises, Seller will indemnify and save harmless buyer from all loss or expense by reason of any accident, injury or damage to persons or property occurring in connection therewith.
8. Buyer may at any time insist upon strict compliance with these terms and conditions, notwithstanding any previous custom, practice, or course of dealing to the contrary.
9. Seller shall meet quality requirements of Buyer and all quality requirements of Buyer's customers, including, but not limited to, all applicable plans, specifications, and other contract descriptions, as set forth on the face of the PO. The quality of the Product shall be subject to the satisfaction of the Buyer, who shall be entitled to reject nonconforming Product. Buyer or its designate representative or government agency shall have the right from

time to time during business hours after reasonable notice to the Seller to (i) inspect the Product wherever it is located; (ii) remove samples of the Product for inspection and testing; and (iii) obtain factory site and other information from the Seller to confirm conformance of the Product with agreed specifications. No such inspection, testing or inquiry shall be deemed to be or result in any variation of any of Seller's obligations or a waiver of Buyer's rights. Seller warrants from the date of delivery or the appropriate period if contrary to applicable law, that all Product:

a) strictly conform with the description contained in the PO, the quality and agreed specifications stated or incorporated as a schedule, by reference or otherwise, b) is merchantable, fit for the purpose intended, and free of defect, c) consisting of edible raw ingredients or finished materials not adulterated, mislabeled within the meaning of the Federal Food, Drug, and Cosmetic Act ("Act") and is suitable for human consumption or will not otherwise affect Buyer's ability to use or resale the Product; and not adulterated or misbranded within the meaning of any pure food laws or ordinances (then in effect) of the country, state, or city to which Product is shipped, and d) are not articles which may not, under the provisions of Sections 404 or 505 of said Act be introduced into interstate commerce.

10. Any specifications, samples, designs, formulations, trade secrets, patents, financial data, or other information that Buyer identifies as or otherwise deems confidential ("Buyer's Confidential Information") and discloses to Seller in connection with the PO shall remain the exclusive property of Buyer and shall, along with any information derived from the same, be kept confidential by Seller and its employees and agents and shall not, without Buyer's prior written consent, be disclosed to any third party or used except for purposes of the PO. Notwithstanding the foregoing, such information shall not be deemed confidential to the extent that Seller can demonstrate by written record that it was previously known by Seller, became generally available to the public through no fault of Seller, was disclosed to Seller by a third party without breach of any confidentiality obligation, or is specifically required to be disclosed by law or legal process. Buyer and Seller agree that the covenant of confidentiality and nondisclosure set forth above shall survive termination of this Agreement and shall remain in effect for so long as the Buyer's Confidential Information remains confidential

11. Unless otherwise stated on face of order, title to any and all property furnished by Buyer, at no charge to Seller in connection with this order shall at all times vest in Buyer and Seller assumes all liability for loss or Seller's failure to return such property to Buyer upon request.

12. Seller agrees that all materials, supplies, article or equipment to be manufactured or furnished hereunder will be produced in compliance with the Fair Labor Standards Act. If this order exceeds \$10,000 and is otherwise subject to the WalshHealey Public Contracts Act, Seller also agrees that all materials, supplies, articles or equipment to be manufactured or furnished hereunder will be produced in compliance with that Act.

13. If this PO is subject to Executive Order 11246, Seller certifies that it (1) is in compliance with Sec. 202 thereof and the Rules and Regulations issued thereunder; (2) does not and will not provide or maintain at any of his establishments, or permit his employees to perform their services at any location under his control where there are maintained, segregated facilities, and (3) agrees that a breach of this Certification violates the Equal Employment clause of Executive Order 11246. "Segregated Facilities" means facilities which are in fact segregated on a basis of race, color, creed, sex, religion or national origin, because of habit, local custom or otherwise. Seller agrees to (1) obtain an identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal opportunity clause, and (2) maintain such certifications in his files. The penalty for making false representation is prescribed under 18 U.S.C. 1001.

TOOLING EQUIPMENT

PARAGRAPH "A" – The tooling and/or pattern equipment covered by this order shall be tagged or otherwise identified as the property of Buyer; be subject to transfer or remove at his request, be used to produce parts for Buyer only and shall not be disposed of, or damage to, this tooling and/or pattern equipment while in its possession. Invoices must be completely itemized by individual valuations or an itemized list must be attached to the invoice.

PARAGRAPH "B" - The tooling and/or pattern equipment covered by this order shall be used to produce parts for Buyer only and shall not be disposed of at any time until written approval of Buyer. Maintenance will be the responsibility of Seller and Seller will be responsible for loss of or damage to, this tooling and/or pattern equipment while in his possession. Invoices must be completely itemized by individual valuations or an itemized list must be attached to the invoice.

FEDERAL EXCISE TAX EXEMPTION CERTIFICATE

Buyer certifies that it is a manufacturer or producer of articles enumerated in chapter 32 of the Internal Revenue Code and of articles not enumerated thereunder, and holds Certificate of Registry No. 38 76 0026 A issued by the District Director of Internal Revenue at Detroit, Michigan.

It is understood, for all purposes of chapter 32 of the Internal Revenue Code, that to the extent articles purchased under this exemption certificate are resold by Buyer otherwise than on or in connection with, or with the sale of an article manufactured or produced by Buyer, then Buyer shall be considered the manufacturer or producer of the articles so resold.