

1. ACCEPTANCE: This order is Buyer's offer to purchase the goods or services (the "Products") described in this order. Acceptance of this offer is limited to its terms. This order consists only of the terms contained herein and in any documents or specifications expressly incorporated by reference. It does not constitute an acceptance by Buyer of the terms contained in any quotation, proposal or order confirmation furnished by Seller, and such terms are hereby expressly rejected. For purposes of this order, the term Seller includes any seller of goods and/or seller/contractor providing services hereunder.

This order may be accepted in writing by Seller or any conduct by Seller which recognizes the existence of a contract pertaining to the subject matter of this order, including the provision of Products to Buyer as contemplated herein, shall constitute acceptance by Seller of this order and all of its terms and conditions. If Buyer objects to any terms proposed by Seller in accepting this offer which is in addition to or different from those contained in this offer, Buyer may withdraw the order any time before it is accepted by Seller.

2. PURCHASE ORDERS: Buyer shall issue a "Purchase Order with Delivery Schedule" to Seller for specific quantities and delivery dates for Products as "firm Obligations". Buyer shall have the right to cancel, adjust, or reschedule the quantities of Products forecast and not shown in such "Purchase Order with Delivery Schedule". Seller and Buyer may use electronic means, including computer-based telecommunications systems, to transmit this order, the Seller's acknowledgment of this order, the Buyer's "Purchase Order with Delivery Schedule", or other correspondence or information relating to the placing of this order or its performance. The terms and conditions contained in this order shall supersede any terms and conditions contained in any such electronic transmission by Seller.

3. WARRANTY: Seller warrants that it has good title to the Products, free and clear of all liens and security interests. Seller warrants the Products will conform to any drawings, specifications, statements of work, samples, and/ or other descriptions and requirements relating to the Products furnished by Buyer as part of this order. Seller warrants that Products will be fit and sufficient for the purpose intended except to the extent that any defect in the Products is due to Seller's conformance to any drawings, specifications, statements of work, samples, and/or other descriptions and requirements of Buyer. Seller also warrants that all Products supplied will be merchantable, of good material and workmanship, free from defect in design, manufacture and/or otherwise, and in compliance with all applicable statutes, regulations and standards. These warranties shall survive inspection, test, acceptance of, and payment for the Products and shall run to Buyer and its customers, end users and end customers. Buyer shall have all legally available remedies for breach of these warranties. These remedies are cumulative and shall be in addition to any other remedies that may be available to Buyer by statute, contract, these terms, in equity or otherwise for breach of these warranties. In addition to such other remedies, which shall include the right to require Seller to reimburse Buyer for all payments it may be required to make to its customers, end users and end customers attributable to Seller's breach of warranty, Buyer may either return the affected Products for credit or refund or require prompt correction or replacement of the defective or nonconforming Product or part thereof by Seller or at Seller's sole cost and expense. In the event that Buyer incurs costs and charges associated with containment activities resulting from, or attributable to, a breach of the foregoing warranties of Seller, then Seller shall reimburse Buyer for all such costs and charges including, but not limited to, those relating to shipping, handling, processing, reworking, inspecting and replacing defective material, including the costs of value-added operations performed prior to the discovery of the non-conformance, as well as any third party inspection costs. If Seller fails to timely deliver replacement Products, Buyer may replace them with products from a third party and charge Seller the cost thereof and terminate this order without any liability to Buyer. Seller's warranties shall run for a period of 3 years from the date the Products are first used for the purposes intended by Buyer, (i.e. vehicle in-service date) or four (4) years from the date of receipt by Buyer, whichever occurs first. The warranty period for any such corrected or replaced Products shall be of an equal duration as the original warranty period and shall commence upon acceptance of such corrected or replaced Products. Any applicable statute of limitations runs from the date of Buyer's discovery of the noncompliance of the Products with the foregoing warranties.

Seller agrees that it will obtain and does hereby assign to Buyer the benefits of any warranties provided by third-party suppliers of material or equipment incorporated into the Products, and will perform its responsibilities so that such warranties remain in full force and effect. Such assignment shall not relieve Seller of its warranty obligations to Buyer under these Terms and conditions or this order.

THE FOREGOING WARRANTIES ARE THE SOLE WARRANTIES AND ALL OTHER WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, ARISING BY LAW OR CUSTOM, ARE EXPRESSLY DISCLAIMED. EXCEPT AS OTHERWISE EXPRESSLY AUTHORIZED IN THE ORDER, ALL INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS OR REVENUE, ARE EXCLUDED UNDER THIS ORDER TO THE EXTENT PERMITTED BY APPLICABLE LAW.

4. QUALITY ASSURANCE: Seller shall qualify as an acceptable vendor in compliance with the requirements of the Buyer's Supplier Quality Systems Requirements (SQSR) (available at www.meritorwabco.com) which by reference is incorporated herein and made a part hereof, Seller shall also supply initial samples and documentation per the Production Part Approval Process (PPAP) for Buyer's approval prior to the commencement of production runs by Seller. If Seller does not supply reports as required, Buyer may either reject the samples or inspect and test the samples itself and invoice Seller for

such work at the rate of \$100.00 USD per hour. After its initial qualification, Seller shall maintain its status as an acceptable vendor under Buyer's requirements, including those set forth in the SQSR.

5. SERVICE AND REPLACEMENT PARTS: If requested by Buyer, Seller will produce and sell to Buyer pursuant to the provisions of this order Products necessary for Buyer to fulfill its current model service and replacement parts requirements at the prices set forth in this order. During the 15 year period after Buyer completes current model purchases, Seller will produce and sell to Buyer pursuant to the provisions of this order Products necessary for Buyer to fulfill its past model service and replacement parts requirements. Unless otherwise agreed to by Buyer, the price(s) during the first five (5) years for Products will be those in effect at the conclusion of current model purchases. For the remainder of Seller's supply obligation of service and replacement parts hereunder, the prices for Products will be as agreed to by the parties based upon good faith negotiations. If Buyer or any of its related companies has a legal obligation to make the service and replacement parts available for a longer period, Buyer will so advise Seller. Seller will supply the service and replacement parts for this longer time period.

6. PRICES: The prices shown in this order shall remain firm throughout the term of this order unless an authorized representative of Buyer has expressly agreed in writing to adjust the prices. Unless stated otherwise, the prices shown include all charges by Seller for packing and transportation per INCO terms of the order. The prices shown also include all applicable federal, state, and local taxes except taxes which Seller is required by law to collect from Buyer. Seller shall show taxes which it is required by law to collect from Buyer separately on its invoices and shall not invoice any tax for which Buyer has furnished a valid exemption certificate. Seller shall submit correct and complete invoices with appropriate supporting documentation and any other information reasonably required by Buyer. Seller represents that its prices charged for Products under this order are at least as low as the prices charged by Seller to buyers of the same kind as Buyer under conditions substantially similar to those specified in this order.

Seller shall submit invoices to Buyer at the location designated on this order within 30 days after transferring ownership of Products. Except as otherwise provided in this order, Buyer shall pay all undisputed invoices within 30 days after receipt of complete invoice. Buyer may decline to pay an invoice, in whole or in part, if there are unsubstantiated or unsupported amounts billed or Buyer decides it is necessary to protect it from loss due to material breach by Seller under this order.

7. SHIPPING AND DELIVERY: Seller will comply with Buyer's "ship to" and "bill to" instructions as shown in this order or in the applicable "Purchase Order with Delivery Schedule". Seller will follow packaging specifications as prescribed by the Buyer, including the use of bar-coding at item and package levels, or any other Buyer-defined identification method. All new packaging must be pre-approved by the Buyer. Seller will route its shipments in accordance with instructions of Buyer or its shipping agent. Title to and risk of loss of the Products shall pass to Buyer upon delivery of the Products in accordance with the shipping terms specified by Buyer. Seller understands that Buyer establishes its manufacturing schedules in reliance on Seller's timely performance of this order and that time is of the essence in Seller's performance. In the event of delays in timely performance attributable to Seller or its agents, Seller shall be responsible for all costs and expenses resulting from such delays, including all costs and expenses imposed on Buyer by its customers, end users and end customers. Additionally, Seller shall also bear the costs and expenses of expedited freight, which may be required to mitigate such Seller delays. Seller agrees to show the engineering revision level of the Products shipped on all shipping documents. Unless otherwise specified in this order, no variation in the quantity of Products is authorized and Buyer may reject a delivery that varies in quantity authorized for shipment. Products shipped in advance of Buyer's delivery schedule may be returned at Seller's expense or Buyer may retain possession of the Products shipped in advance and charge Seller for any storage or other associated costs.

8. INSPECTION: Buyer and/or Buyer's customer shall have the right to review any designs, drawings or specifications prepared by Seller under this order and to inspect and test Products at Seller's premises prior to delivery to Buyer. No inspection or a failure to inspect by Buyer or Buyer's customers shall reduce or alter Seller's obligations under this order.

9. CHANGES: By giving written notice to Seller, Buyer may modify at any time the specifications, designs, drawings, samples or other description to which the Products are to conform, the methods of shipment and packaging of Products, or the place of delivery. At Seller's request with appropriate supporting documentation, the parties will agree upon an equitable adjustment to the prices and times for performance as a result of Buyer's changes.

10. INFORMATION: If Buyer supplies drawings, data, designs, inventions, computer software or other technical information to Seller to facilitate the performance of this order, then such information shall remain Buyer's property and Seller shall hold it in confidence and regard it as confidential information. Seller shall not reproduce, use or disclose such information to others for any purposes other than the performance of this order without Buyer's prior written consent. Seller may use Buyer's confidential information only for the production and supply of Products to Buyer. Seller shall have no right to use Buyer's marks, trademarks, or trade names except as authorized in writing by Buyer. Such information shall be returned to Buyer upon completion by Seller of its obligations under this order or upon demand, along with all copies Seller has made and all other documents in which such information has been incorporated. Unless Buyer has entered into a separate written non-disclosure agreement with Seller, and such agreement is specifically

incorporated by reference herein, any information which Seller may disclose to Buyer with respect to the design, manufacture, sale or use of the Products covered by this order shall be deemed to have been disclosed as part of the consideration for this order, and Buyer shall be free to use such information. To the extent that, by operation of law, Seller owns any intellectual property rights in the Products, Seller hereby assigns to Buyer all rights, title and interest, including copyrights and patent rights in such Products. Seller shall insure that all of Seller's subcontractors shall have written contracts with Seller that are consistent with the terms of this Section.

11. BUYER'S PROPERTY: All property used by Seller in connection with this order which Buyer owns and delivers to Seller, or pays Seller for, including, but not limited to, tools, dies, jigs, molds, patterns, fixtures and equipment and any replacement thereof, shall be and remain the property of Buyer. For the avoidance of doubt, any tools, dies, jigs, molds, patterns, fixtures and equipment, and any replacement thereof, paid for by Buyer shall be owned by Buyer, notwithstanding any language to the contrary in any quotation, order acknowledgment or other documentation provided by Seller and Buyer's issuance of any such purchase order and Seller's acceptance of payments called for therein shall be conclusive evidence of such ownership. Buyer may remove or inspect such property at any time and Buyer shall have free access to Seller's premises for such purposes. All property owned by Buyer shall be marked as Buyer's property and used only for performing Buyer's orders. Seller shall maintain and repair such property and return it to Buyer in its original condition, reasonable wear and tear excepted, at the request of the Buyer. Additionally, Seller hereby grants to Buyer an exclusive, irrevocable option to purchase at the then current book value any Seller owned tools, dies, jigs, molds, patterns, fixtures and equipment used by Seller exclusively to produce or manufacture Products. Buyer may exercise its option to purchase under this Section 11 at any time during the term of the order or within three (3) months after expiration or any termination thereof.

12. INDEMNITY: Seller shall defend, indemnify and hold Buyer, its successors and assigns, their principals, affiliates and subsidiaries, including their respective directors, officers, employees, agents and representatives, harmless from and against any and all liabilities, damages, losses, claims, demands, actions, costs and expenses (including actual fees for attorneys, experts and consultants, settlement costs and judgments), occasioned by, resulting from, or arising out of any claim, by whomever asserted and regardless of nature or kind, including without limitation, for personal injuries (including death) and damage to property, whether in tort or under contract, directly or indirectly, in whole or in part occasioned by, resulting from, or arising out of (a) any defect or alleged defect in the Products supplied by the Seller; (b) any noncompliance or alleged noncompliance by the Seller with any of its representations, warranties or obligations under this order or any release; or (c) any negligence or fault, or alleged negligence or fault of the Seller, its agents, employees or subcontractors in connection with the design, production, or manufacture of the Products or failure to comply with the terms of this Agreement. Seller also shall defend, indemnify and hold Buyer, its successors and assigns, their principals, affiliates and subsidiaries, including their respective directors, officers, employees, agents and representatives, customers and users of the Products harmless from and against any and all losses, damages or liabilities, including costs and expenses, including attorneys' fees, which may be incurred on account of any suit, claim, judgment or demand involving infringement or alleged infringement of any patent, copyright, industrial design, right or other intellectual property rights in the manufacture, use or disposition of the Products supplied under this order. It shall be a condition of this indemnity that Buyer shall notify Seller of any suit, claim or demand against it and Seller, at Buyer's option and at Seller's expense, shall undertake defense of such suit, claim, or demand through counsel reasonably approved by Buyer, provided Seller shall first obtain authorization from Buyer before settlement is made of the suit, claim or demand if, the terms of such settlement could materially affect Buyer, including but not limited to any terms which admits the existence of a defect in Buyer's end products or a failure of Buyer to fully and faithfully perform its obligations. In the alternative, Buyer may elect to undertake the defense of such suit, claim or demand, to the extent it is asserted against Buyer, and Seller shall reimburse Buyer on a monthly basis for all expenses, attorney fees and other costs incurred by Buyer. If any Product provided under this order is held to constitute infringement and its use is enjoined, Seller shall at its own expense either procure for Buyer, its customers and end-users of the Products the right to continue using the Products or part thereof, or replace them with a non-infringing Product. Seller shall promptly notify Buyer of any suspected claims of which it becomes aware.

13. RELEASE OF INFORMATION AND ADVERTISING: Seller and Buyer agree that this order is confidential business information. Neither of them, without the prior written consent of the other, shall make any news release or public announcement of this order or advertise or publish the fact that Buyer has placed this order with Seller.

14. ASSIGNMENT: Seller may assign this order or any of Seller's rights or duties under this order, including any assignment by operation of law, or subcontract the performance of any of its duties under this order, only with Buyer's prior written consent, which consent Buyer may, in its sole discretion, withhold. The terms and conditions of this order shall bind any permitted successors or assigns of Seller. No assignment shall relieve the assigning party of its obligations under this order. In the event Buyer permits Seller to use subcontractors, Seller shall ensure that all subcontractors are contractually bound to this order and these terms and conditions.

15. EXCUSABLE DELAYS: Neither Seller nor Buyer shall be liable for damages for delay in or prevention of its performance of this order arising out of causes beyond its reasonable control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of any Government in either its sovereign or contractual capacity, fires, floods, or freight embargoes. It shall be a condition of excuse under this section that the party seeking excuse notifies the other party in writing within ten (10) days after the beginning of any cause which may excuse performance under this section and include in such notice the anticipated duration of the delay. During the period of any delay or failure to perform by Seller, Buyer, at its option may purchase products from other sources and reduce its schedules to Seller by such quantities, without liability to Seller, or cause Seller to provide products from other sources in quantities and at times requested by Buyer and at the price set forth in this order. If all or any material portion of Seller's performance under this order is excused under this section for a period exceeding thirty (30) days, Buyer shall have the right to terminate this order immediately upon written notice to Seller without further liability or obligation to Seller. For the avoidance of doubt, Seller understands and agrees that strikes, lockouts, other labor disputes or commercial impracticability shall not be considered events of excusable delay for purposes of this order, and Seller expressly assumes the following risks; (i) change in cost or availability of materials, components or services based on market conditions, supplier actions or contract disputes; (ii) failure of Seller's internal business systems related to proper processing of information that results in any defect or failure in products and services, deliveries, or any other aspect of performance by Seller or its subcontractors; or (iii) poor business judgment or estimates, currency fluctuations, labor shortages, or unanticipated engineering or technical difficulties.

16. TERMINATION RIGHTS: Buyer may terminate the performance of work under this order (or any part thereof) at any time without cause upon written notice of termination to Seller. Upon receipt of such notice, Seller shall, unless the notice directs otherwise, immediately discontinue work under this order. Within thirty (30) days after receipt of the written notice of termination, Seller shall submit any claim for its expenses resulting from the termination and Buyer shall promptly make a reasonable settlement of the claim. The foregoing notwithstanding, Seller agrees that it will, in no event, be entitled to claim or recover under any such settlement or otherwise for its development costs, lost profits or any other expense, loss, damage or liability in the nature of consequential, indirect, or special damages. Buyer shall only consider those direct out of pocket expenses actually incurred by Seller which are directly attributable to Buyer's termination pursuant to this paragraph of this Section 16. Moreover, Seller shall not be entitled to seek recovery for its costs of tooling used for the manufacture of Products unless Buyer and Seller have entered into a separate written agreement pursuant to which Buyer has agreed to be responsible for such costs. Either party may terminate the performance of work under this order (or any part thereof) for cause upon written notice of termination to the defaulting party if the defaulting party fails to cure any material failure to perform, discharge or fulfill its obligations under this order to the reasonable satisfaction of the non-defaulting party within ten (10) days after receipt of a written notice from the non-defaulting party that the non-defaulting party considers the defaulting party to be in default under this order.

17. HAZARDOUS MATERIALS & RESTRICTED SUBSTANCES: Seller shall notify Buyer of all "hazardous materials" (as that term is defined in applicable federal, state and local statutes) which are contained in the Products. Seller shall furnish Buyer with copies of all applicable "Material Safety Data Sheets" for Products no later than the initial shipment date under this order. Seller shall also comply with all laws, orders and regulations pertaining to the use, storage, transportation and disposal of restricted, toxic and hazardous materials. For Products that are incorporated into Buyer's customers' products, Seller shall disclose restricted, toxic and hazardous materials information to Buyer. Such disclosure shall include, but is not limited to, Seller's entry of parts information into the International Material Data System ("IMDS") and forwarding such information to Buyer (IMDS ID #15080). At a minimum, Seller shall disclose those materials listed on the IMDS International List of Reportable Substances.

18. RECALL CAMPAIGNS: Seller shall indemnify and hold Buyer harmless against all losses, liabilities, damages, costs and expenses incurred by Buyer or its customers if Buyer recalls from Buyer's customers or others any Products furnished hereunder or an end product employing any such Products as a part or component thereof or repairs, replaces or refunds the purchase price of such Products or end product. This indemnity shall apply only if the recall, repair, replacement or refund (a) is required pursuant to applicable statutes, laws or regulations; (b) is required pursuant to Buyer's contractual obligations to its customers, end users or end customers; or (c) in Buyer's reasonable commercial judgment, is necessary to preserve Buyer's commercial reputation as a supplier of reliable, high quality products. Buyer agrees to (i) provide Seller with available performance evaluations, accident reports, engineering investigations, and other data relating to a recall, (ii) provide Seller a reasonable opportunity to participate in inquires and discussions among Buyer and its customers, and (iii) agrees to consult with Seller about the most cost-effective method of modifying or replacing the Products, in order to remedy the alleged defect or non-compliance." Seller agrees to supply Buyer all field and production tests, repair/replacement parts for products requested or required by Buyer to correct any defect or alleged defect in the Products supplied by Seller.

If Seller's Products are not the sole cause of such action by Buyer, then Buyer shall apportion its costs, damages and expenses as it shall determine is reasonable and equitable. Buyer shall have the right, without the consent of Seller, to report to any administrative or regulatory body any information which Buyer

obtains indicating that the Products furnished by Seller either fail to conform to any standard required by law, or constitute or create of themselves, or within the end product of which they are a part or component, a situation requiring recall or notice as defined by the applicable law. Seller shall prepare, maintain and file with the appropriate agency those records and reports relating to the manufacture, sale, use and characteristics of the Products furnished to Buyer under this order which may be required by any federal, state or local law or regulation concerning the manufacture, sale or use of the Products or the end products of which the Products may be a part or component.

19. INSURANCE:

Seller shall at all times provide and maintain the following: (a) All-Risk property insurance covering the full replacement value of Buyer's Property in Seller's care, custody or control and naming buyer as loss payee.(b) Commercial general liability including products/completed operations, recall liability, and if necessary commercial umbrella insurance with a limit of not less than \$2,000,000 each occurrence and general aggregate. CGL insurance shall be written on ISO occurrence form CG 00 01 01 96 or equivalent, and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under contract.

Seller waives all rights against Buyer and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the above insurance policies. Seller shall obtain endorsements to effect this waiver. All insurance coverage required shall be at the sole cost and expense of Seller. All deductibles shall be assumed by, for the account of, and at the Seller's sole risk. Seller shall furnish evidence of insurance satisfactory to Buyer upon the effective date of this order and annually thereafter, within sixty (60) days of policy renewal. The evidence of insurance shall include a copy of the Additional Insured – Vendor's Endorsements (CG 20 15 11 88) or endorsements providing similar coverage relating to General Liability and Seller agrees to permit any authorized representative of Buyer to examine Seller's original insurance policies if requested. Coverages should be written with carriers of A.M. Best's ratings of no less than A- VIII, or as otherwise acceptable to Buyer. Should Seller at any time neglect or refuse to provide the insurance required herein, or should such insurance be cancelled, Buyer shall have the right to procure the same and the cost thereof shall be deducted from monies then due or thereafter to become due to Seller. Seller shall not commence work under this order until all of the insurance required herein shall have been obtained and evidenced to Buyer.

20. GOVERNING LAW: This order shall be governed by the laws of the state of Michigan, including the Uniform Commercial Code, but excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods, and excluding Michigan law with respect to conflicts of law.

21. EXPORT/IMPORT COMPLIANCE: Products or technical data provided or received under this Order may be subject to the provisions of the U.S. Export Administration Act, 50 USC 2401-2420, including but not limited to the Export Administration Regulations, 15 CFR 730-774 ("EAR"); the U.S. Arms Export Control Act, 22 USC 2751-2780, including the International Traffic in Arms Regulations, 22 CFR 120-130 ("ITAR"); the Regulations of the Office of Foreign Assets Control of the U.S. Treasury Department, 31 CFR 500-599; the Regulations of the Bureau of Alcohol, Tobacco, and Firearms, 27 CFR 447-555 ("ATF"); the Homeland Security Act of 2002, including the U.S. Customs and Border Protection Regulations, 19 CFR 1-199 ("CBP"); as well as any applicable export or import requirements of other jurisdictions regardless of whether of U.S. or non-U.S. origin.

Seller agrees to comply with all applicable export and import laws and regulations and any requirements of Buyer with respect to the import, export, re-export, or transfer of Products. Seller shall comply with all Customs Trade Partnership Against Terrorism ("C-TPAT") requirements (including the completion of supply chain security assurance documentation), CBP Importer Security Filing "10+2" program requirements involving ocean freight shipments, and product marking requirements for all Products. Seller shall immediately notify Buyer in the event of any change to the export or import classification or country of origin information. Seller agrees to notify Buyer, in writing in advance, of any change in the Seller's manufacturing location. Seller agrees that it will not export, transfer, re-export, or re-transfer any drawings, data, designs, inventions, computer software or other technical information provided by Buyer, including Buyer's information that has been integrated into Seller's technical information, without Buyer's prior written consent. Seller agrees that it will not export, transfer, re-export, or re-transfer Products to any U.S. or non-U.S. government sanctioned countries, denied, or designated parties. These restrictions apply to Seller, its employees, and any third party including, but not limited to Seller's suppliers and subcontractors.

Seller shall immediately notify the Buyer's procurement representative if Seller is, or becomes, listed in any U.S. or non-U.S. government denied parties lists or if Seller's export privileges are otherwise denied, suspended, or revoked in whole or in part by any U.S. or non-U.S. government entity or agency.

Buyer shall not be liable for increased costs or customs duties, or any penalties or damages incurred by Seller as a result of deficient or erroneous documentation supplied by Seller for purposes of establishing the status of Goods, as defined in the North American Free Trade Agreement ("NAFTA") and other trade preference programs, including implementing laws and regulations.

22. COMPLIANCE WITH LAWS: Seller shall comply with all applicable laws, rules, regulations, ordinances and orders of all applicable local, province/state and federal government authorities in connection with the performance of its obligations hereunder.

23. AUDIT RIGHTS: In order to assess Seller's compliance with the terms and conditions of this Agreement, as applied to process and quality standards and/or quantities of material on hand, Seller shall permit Buyer and its authorized representatives, including its accountants and attorneys (and Seller shall obtain a similar right from permitted subcontractors), reasonable access, during normal business hours to all of Seller's manufacturing facilities; provided, however that Buyer shall have given Seller not less than forty eight (48) hours advance written notice of its intent to conduct such as inspection.

24. RIGHT TO MAKE DIRECT PAYMENTS: Buyer reserves the right to make payments directly to subcontractors, agents and other entities whose efforts have been obtained by Seller in the fulfillment of this order if Seller becomes unable or unwilling for any reason to timely compensate them or to meet its debt obligations. In addition, Buyer reserves the right to make payments directly to bankruptcy courts, trustees in bankruptcy or receivers, as it deems necessary. Any amounts paid by Buyer to the entities or persons listed in this paragraph other than Seller plus legal expenses incurred will be subtracted from any amounts owed to Seller under this Agreement. If Buyer makes direct payments to subcontractors or others as set out in this Article, Seller waives any right to further recompenses from Buyer for the work completed by these entities with respect to the work paid for by Buyer. Buyer reserves its right to any other remedies allowed in law or equity.

25. GOVERNMENT CONTRACTS: If this order is placed in support of a government contract, Seller will comply with all applicable government requirements for government subcontractors, including but not limited to any applicable provisions of the Federal Acquisition Regulations (FAR).

26. SETOFF: In addition to any right of setoff or recoupment provided by law, Buyer may at any time and without notice deduct or setoff any amounts due to or to become due to Seller and/or its affiliates/subsidiaries (related companies) from Buyer and/or its affiliates/subsidiaries against any claims that Buyer has or may have arising out of this or any other order, or transaction between Buyer and Seller.

27. REMEDIES: The remedies in the terms contained herein are cumulative and in addition to any other or further remedies provided by law or in equity. Resort by Buyer to any remedy, as provided in the terms contained herein or otherwise, will not be deemed an election of remedies or a waiver of any breach or remedy.

28. SEVERABILITY: If any term or provision of this order is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this order or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon a determination that any term or provision is invalid, illegal or unenforceable the parties shall negotiate in good faith to modify this order to effect the original intent of the parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

29. SURVIVAL: Provisions of this order which by their nature should apply beyond their terms will survive and remain in force after any termination or expiration of this order, and apply to the respective successors and permitted assigns, including but not limited to the following sections: Sections 3 (Warranty), 10 (Information), 12 (Indemnity), 20 (Governing Law), 24 (Compliance With Laws) and 29 (Setoff).

30. ENTIRE AGREEMENT: This order, including all documents incorporated by reference, contains the entire agreement between Buyer and Seller with regard to the purchase and sale of the Products sold under this order. This order supersedes any prior agreements or discussions (whether written or oral) between Buyer and Seller about the subject matter of this order. No amendment or modification to this order (other than a written notice of change issued by Buyer under Section 9 shall be valid unless made in writing and signed by a duly authorized representative of each of Buyer and Seller.