



TERMS AND CONDITIONS

Effective Date: 02/13/96

Revision Date: 00/00/00

Q062011

- 1. Complete Agreement, Modification:** Acceptance of this purchase order is expressly limited to the Terms and Conditions stated herein. If this purchase order is construed as an acceptance of Seller's offer, this acceptance is expressly conditioned on Seller's assent to any additional or different terms (from Seller's offer) contained on the front or reverse side of this form. This purchase order, together with (a) any supply agreement to which this purchase order is attached, (b) any exhibits or supplements hereto, (c) any additional warranties given by Seller, (d) any documents referenced in these Terms and Conditions, and (e) any written instructions hereunder shall contain the complete and final agreement between Buyer and Seller. No agreement or any other understanding in any way purporting to modify the Terms and Conditions hereof shall be binding upon Buyer unless agreed to in writing and signed by Buyers authorized representative.
- 2. Prices and Payment Terms.:** Unless Buyer consents in writing, this order may not be filled at a price higher than that set out on the face hereof, or in the absence of a stated price, at a higher price than that previously quoted to or charged to Buyer. Delay in receiving invoices, or errors or omissions on invoices, will be considered just cause for withholding payment and will not affect any of Buyer's cash discount privileges.
Any reduction in Seller's costs resulting from refunds, rebates, reductions or drawbacks of freight rates, customs duties (including antidumping and countervailing duties), import taxes, excise taxes and/or sales taxes from those in force on the date hereof is to be paid to Buyer by Seller in reduction of the price of the goods ordered herein.
- 3. Packing, Marking and Shipping:** (a) All goods shall be properly packaged to prevent damage or deterioration and to obtain the lower transportation rates. Buyer will pay no charge for packing, shipping, drayage, or storage or for preparation, crating, dunnage or other materials unless separately stated on this order. (b) Each packing slip, bill of lading, invoice, container, tag and correspondence shall bear the applicable purchase order number (or the release order number applicable to each shipment if this is a blanket purchase order) and the location of the plant to which supplies are to be shipped. (c) A waterproof master packing slip shall accompany each shipment and shall be included in one of the packages marked "Packing Slip inside" of, in the case of a carload shipment, be conspicuously displayed on the inside of the freight car. (d) The original bill of lading shall be mailed to the attention of the Traffic Manager at the final destination, on date of shipment. (e) All goods shall be properly identified as to country of origin and all documentation in connection with the goods shall comply with all applicable governmental regulations and Seller shall indemnify Buyer and save Buyer harmless from any and all costs arising out of the failure of the goods to be properly marked or the failure of such documentation to comply with all applicable governmental regulations, including but not limited to (i) all costs incurred in bringing the goods or the documentation into compliance with governmental regulations, (ii) all freight costs for additional materials to cover production or customer requirements, (iii) any fines, penalties or forfeitures levied by any government or governmental agency and (iv) any legal expenses and fees as they are incurred.
- 4. Improper Delivery:** If for any reason Seller fails to make delivery within the time specified herein, Buyer may, at its option, approve a revised delivery schedule, request shipment via air or expedited routing (at Seller's expense), or terminate this order without any liability. Seller will not, however, be liable for damages resulting from delays in delivery due to causes beyond Seller's reasonable control, provided Seller promptly notifies Buyer in writing of any such delay or expected delay as soon as such delay or expected delay becomes or should have become apparent. The remedies provided in this paragraph shall be cumulative and in addition to any other or further remedies Buyer may have.
- 5. Shipping Release:** The seller shall not fabricate any of the goods covered by this order, procure any materials required in their fabrication or ship any of such goods to Buyer, unless specific delivery dates, or an authorization for raw material acquisition and stocking periods is provided in this order (or in a master purchase order that is referenced on this order), or in written instructions subsequently furnished to Seller by Buyer. Buyer shall have no responsibility for goods for which delivery dates or such written instructions have not been provided. Shipments in excess of those authorized may be returned to Seller and Seller shall pay Buyer for all expenses incurred in connection with the return of such shipments. Seller shall request permission to ship nonconforming materials in which case they would provide corrective action.
- 6. Inspection:** Notwithstanding prior payment, all goods are subject to inspection and acceptance by Buyer within a reasonable time after they arrive at destination. Buyer shall notify Seller if any goods are rejected for any reason. At Buyer's election, rejected goods may be held for Seller's account or returned to Seller at Seller's risk and expense. No replacement or correction of nonconforming goods shall be made by Seller without written authorization from Buyer
- 7. Warranty:** Seller warrants that the goods covered by this order will conform to the specifications, drawings, samples, or other description furnished or specified by Buyer, and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship, and free from defects. Seller shall notify buyer of nonconforming material in transit.
- 8. Patents:** Seller warrants that the goods specified herein (and their sale or use, alone or in combination, according to Seller's specifications or recommendations, if any) will not infringe any United States or non-U.S. patents, and agrees to defend, indemnify and save harmless Buyer and anyone selling or using any of Buyer's products against all loss, damage, liability, costs, expenses



and legal fees as they are incurred by reason of any infringement or alleged infringement.

9. Indemnification: Seller agrees to indemnify and save harmless Buyer, its agents and customers and the users of any goods, materials or work covered by this order from any and all liability, loss or damage which may be incurred by them or any of them arising out of or in connection with or related to any claim of defect arising in any way out of the products or services provided under this purchase order.

10. Recall: In the event it is determined that a product of Seller purchased hereunder creates or contributes to vehicle recall due to a motor vehicle safety defect, or noncompliance with the United States National Motor Vehicle Traffic Safety Act or the Canadian Motor Vehicle Safety Act, as amended, Seller shall pay the costs and expenses of recall and correction where such defect or noncompliance is caused by Seller. The remedies provided in this paragraph shall be cumulative and in addition to any other remedies Buyer may have.

11. Insurance: Seller shall maintain insurance coverage in amounts not less than the following: (a) Workers Compensation - Statutory Limits for the jurisdiction(s) in which this order is to be performed (or evidence of authority to be self-insured); (b) Employer's Liability - \$1,000,000; (c) Commercial General Liability (including Products/Completed Operations and Blanket Contractual Liability) - \$1,000,000 combined single limit; and (d) Automotive Liability (including owned, nonowned and hired vehicles) - \$1,000,000 combined single limit. At buyer's request, Seller shall furnish to Buyer certificates of insurance setting forth the amount(s) of coverage, policy number(s), insurers providing coverage, and date(s) of expiration for insurance maintained by Seller and if further requested by Buyer, such certificates will provide that Buyer shall be named as additional insured, and shall receive thirty (30) days prior written notification from the insurer of any termination or reduction in the amount or scope of coverages. Seller's purchase of appropriate insurance coverage or the furnishing of certificates of insurance shall not release Seller of its obligations or liabilities under this order. In the event of Seller's breach of this provision, Buyer shall have the right to cancel the undelivered portion of any goods or services covered by this order and shall not be required to make further payments except for conforming goods delivered or services rendered prior to cancellation.

12. Return Goods: Returns of goods shall be in accordance with the Link Return Goods Policy in effect on the date of the return.

13. Termination at Option of Buyer: Buyer, at its option, may terminate this purchase order, blanket purchase order or any release issued under a blanket purchase order in whole or in part by written notice to Seller. Upon termination, (a) as to goods and services completed prior to receipt of notice, Buyer shall pay Seller the purchase order price per unit completed, and (b) as to work in progress prior to receipt of notice, Buyer shall pay Seller only the pro rata portion of the purchase price per unit corresponding to the percentage of completion on work specifically identified to Buyer's order. In no event will Buyer be liable for incidental or consequential damages, overhead or other indirect costs, or lost profits. All completed or uncompleted goods shall be held by Seller for the benefit of Buyer until receipt of shipping instructions from Buyer. Payments made under this paragraph shall not exceed the purchase order price of the quantities specified in the Buyer's purchase order or release. Notwithstanding the foregoing, Buyer's responsibility for tooling, equipment, plant refurbishing, additional rework or repair expenses incurred by Seller will be limited to the amounts specifically authorized in writing by Buyer. Buyer may audit Seller's records before or subsequent to payment to verify amounts requested in Seller's termination claim.

14. Termination for Default of Seller: If Seller (a) refuses or fails to make deliveries of the supplies as specified in this order or in any shipping release issued to Seller, or (b) fails to perform any other provisions of this order and does not cure such failure within a period of ten (10) days after receipt of notice from Buyer specifying such failure, Buyer may, at its option, terminate in whole or in part this order or the contract formed thereby.

15. Changes: Buyer's authorized representative at any time by change order or release authorization to the extent of unreceived items, may make changes in drawings and specifications, the methods of packing and shipping, and the time and place of delivery of goods or services furnished under this order or any release authorization issued thereto. Seller shall notify buyer within ten (10) days after receipt of the order or release authorization if the change will affect time of performance, or the amount to be paid by Buyer hereunder, and an adjustment will be negotiated. Seller shall notify buyer of any new or reworked tooling being used or if there has been a change in manufacturing location.

16. Proprietary Rights: Unless otherwise agreed in writing, all drawings, designs, prototypes, specifications, tools, equipment or materials of every description furnished to Seller by Buyer or specifically paid for by Buyer and all tooling, patterns, and molds manufactured from Buyer's specifications and specifically paid for by Buyer shall be and remain the personal property of Buyer. Such property shall be held at Seller's risk and insured at Seller's expense in an amount equal to its replacement cost with loss payable to Buyer. It shall be safely stored, maintained, and wherever possible, clearly marked "Property of Link Mfg. Ltd." by Seller. Buyer shall have the right to enter upon Seller's premises to inspect such property and any related records. Upon Buyer's written request, Seller shall prepare the property for shipment and redeliver X to Buyer in the same condition in which it was received, reasonable wear and tear excepted, or at Buyer's option. Seller shall assemble the property for pickup by Buyer or destroy or have destroyed any such property designated by Buyer and certify to Buyer that such property has been destroyed.

The right to use any of Buyer's drawings, designs, specifications, prototypes, trademarks, patents, tools, molds or equipment which may be disclosed or provided to Seller by Buyer is limited to producing articles for sale exclusively to Buyer and its divisions, subsidiaries and affiliated companies. Except as otherwise authorized in writing by Buyer, Seller will use any such information or property solely in connection with Seller's performance of this order, or any subsequent release issued pursuant to



this order. The transfer of any Buyer's information or property to Seller shall not be construed as granting a license or any right of ownership in any such information or property.

Seller agrees to keep any information identified as confidential or proprietary by Buyer, whether in tangible or verbal form, in strict confidence and not to disclose any such information to any third parties or any of Seller's employees, shareholders, officers or directors, except those having a legitimate need to know in connection with Seller's performance of this order.

17. Compliance with Laws and Regulation: Seller agrees that in the performance of this order it will comply with the requirements of all applicable federal, state and local statutes, regulations and orders and will indemnify and save Buyer harmless from any claim, loss or damage arising from Seller's violation or alleged violation of the same. Buyer serves from time to time as a contractor for the United States. Government. The Seller agrees that, if applicable to this purchase order, Seller will comply with the requirements of U. S. Executive Order 11246 and other applicable equal employment opportunity laws. Contract clauses required by the U. S. Government in such circumstances are incorporated herein by reference. Seller shall promptly notify Buyer of any applicable export or import requirements or restrictions of any government or governmental entity with respect to the articles, materials or work covered by this order.

18. Duty Drawback Rights: Buyer shall be entitled to all customer's duty and import drawback rights related to the goods covered by this order which Seller can transfer to Buyer, including rights developed by substitution and rights which may be acquired from Seller's suppliers. Seller agrees to inform Buyer of the existence of any such rights and upon request to supply such documents as may be required to obtain such drawback.

19. Ingredients Disclosure and Special Warnings and Instructions: Seller shall promptly furnish to Buyer in such form and detail As Buyer may direct: (a) a list of all ingredients in the goods purchased hereunder; (b) the amount of one or more ingredients; and (c) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of the goods purchased hereunder. Seller agrees to furnish to Buyer sufficient warning and notice in writing (including appropriate labels on goods, containers and packing) of any hazardous material which is an ingredient or a part of any of the goods, together with such special handling instructions as may be necessary to advise carriers, Buyer and their respective employees of how to exercise that measure of care and precaution which will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the goods, containers and packing shipped to Buyer.

20. Certificates of Canadian Value Added: Upon request, Seller shall promptly furnish a "Certificate of Canadian Value Added" or furnish certification of North American content in accordance with U. S. or Canadian Government regulations pertaining thereto. Seller agrees to indemnify Buyer and/or its customers against all loss resulting directly or indirectly from Seller's delay in in completing and returning such certificate to Buyer and from incorrect information therein furnished by Seller.

21. Canadian Goods and Services Tax: Seller shall, if it has not already done so, furnish Buyer with its Canadian Goods and Services Tax registration number and Seller warrants that any Goods and Services Tax registration number so furnished is the registration number assigned to it by the Government of Canada.

22. Miscellaneous

- Any assignment of this order or any interest therein without the prior written approval of Buyer shall be void.
- No waiver of any provisions of this purchase order shall constitute a waiver of any other provision, or a waiver of any subsequent default by Seller.
- Usage of trade shall not be applicable to this order unless consistent with the terms set forth herein.
- If any provision or portion thereof of this order or the contract formed thereby shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and this order or any contract formed thereby shall be construed as if such invalid or unenforceable provision had not been contained herein .
- This order and the contract formed thereby shall be governed by and construed and enforced in accordance with the laws of the State of Iowa.
- In addition to any right of setoff provided by law, all amount due Seller shall be considered net of indebtedness of Seller to Buyer and its subsidiaries and affiliated companies, and Buyer may deduct any amounts due or about to become due from Seller to Buyer and its subsidiaries and affiliated companies from any sums due or to become due from Buyer.
- SELLER'S USE OF LINK MFG, LTD'S TRADEMARKS IS LIMITED TO PRODUCING GOODS SOLELY IN CONNECTION WITH THE PERFORMANCE OF THIS ORDER. SELLER IS NOT AUTHORIZED TO USE SUCH TRADEMARKS FOR ANY OTHER PURPOSE.

Written by: _____

Approved by: 

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