

C. THORREZ INDUSTRIES, INC. SALES TERMS AND CONDITIONS

The following are general sales terms applicable to all agreements of C. Thorrez Industries, Inc. ("Seller") for the sale of its products ("Goods"). A customer of Seller ("Buyer") signifies its acceptance of the following terms and agrees to be bound thereby by the act of placing their order with Seller either orally or in writing. The term "Buyer" shall mean the customer or purchaser referenced on Seller's invoice. The term "Goods" shall mean those items of personal property ordered from Seller by or for Buyer and as identified on Seller's invoice.

1. The terms set forth on the invoice/contract, together with these general sales terms, shall constitute the entire agreement between the parties. The terms and conditions stated herein shall not be altered or amended by the oral or written conditions or stipulations of the Buyer pertaining to such order, the oral representations or statements of the agents of Seller, or otherwise, unless, and to the extent, such conditions or stipulations are included on Seller's invoice or otherwise accepted by Seller in writing.

2. By placing its order, Buyer represents that Buyer is not insolvent, as that term is defined in the Uniform Commercial Code. Acceptance of any delivery shall also constitute a representation and warranty of solvency on the delivery date. If (a) the Buyer is or becomes insolvent, or (b) the Seller determines, in its sole discretion that the terms of payment offered to Buyer are unsatisfactory considering Buyer's financial condition, or (c) if the Buyer fails to tender any payment when due or otherwise breaches any of the provisions hereof, Seller may terminate this Agreement with respect to any Goods not yet delivered, declare the whole sum owing by Buyer due and payable at once, and/or require Buyer to pay cash in advance of any shipment remaining on this Agreement.

3. All invoiced amounts are due in full on the date specified on such invoice, unless other terms of payment are confirmed in writing by Seller's credit department. Any such alternate credit terms may be altered or revoked by Seller at any time. If payment is not timely, Seller, in addition to all other legal rights, shall be entitled to interest on any unpaid balance, in addition to any interest accruing pursuant to credit terms offered in writing by Seller, at a rate equal to the lesser of 1.5% per month or the highest non-usurious interest rate chargeable to Buyer until paid.

4. Buyer shall pay Seller a late payment fee for failure to comply with the payment terms contained in the immediately preceding paragraph ("Late Payment Fee"). The Late Payment fee shall equal the greater of One Hundred and no/100ths Dollars (\$100.00) or five percent (5%) of the unpaid purchase price for the Goods. The Late Payment Fee is intended to compensate Seller for the additional administrative expenses involved with collecting late payments from Buyer, and said Late Payment Fee is acknowledged by Buyer as being fair and reasonable, and the same shall not be construed as a penalty.

5. Regardless of price basis, risk of loss shall pass to Buyer upon pickup by Buyer or delivery of the Goods to a common carrier or sooner if agreed in writing by the parties and allowed by law.

6. Unless otherwise agreed in advance, Seller's weights are to govern settlement. On sales made on a delivered basis, Seller will make no allowances for shortage or damage unless Buyer furnishes within 48 hour of shipment acknowledgment from the carrier that the same occurred in transit. On all sales made F.O.B. Seller's plant or warehouse, Buyer will, in the event of loss or damage in transit, file its own claim with carrier. The Goods shall be delivered by Seller F.O.B. Seller's place of business. All shipping and delivery charges and insurance shall be billed to and paid by Buyer as part of the purchase price for the Goods (in addition to per unit, lot or shipment prices). Goods shall be deemed conforming, timely and accepted "as is," unless objected to in writing signed by Buyer and delivered to Seller within sixty (60) days of delivery of the Goods hereunder.

7. Any price quotes for shipping made by Seller or stated on Seller's invoice are based on freight rates and surcharges in effect at the time of the quote and any advance by Seller of such freight rates and surcharges shall be for the Buyer's account regardless of price basis. All demurrage or detention charges shall be for the Buyer's account.

8. All shipment and/or delivery dates are subject to availability. Seller will make every reasonable effort to meet any quoted delivery date; however, Seller will not be liable for its failure to meet any quoted delivery date. Further, if Seller is delayed or prevented from performance for any reason that was unforeseen or beyond the control of Seller including, but not limited to, strike, lockout, riot, war, fire, acts of God, accident, failure or breakdown of parts necessary for production, supplier or Buyer caused delays, labor disputes or shortages, power outage, and compliance with laws, then performance will be excused for the period of the delay.

9. Seller makes no warranty, express or implied, written or oral, except that the Goods manufactured are warranted to conform to the drawings and specifications furnished by Buyer. SELLER DISCLAIMS AND BUYER WAIVES ALL OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES ARISING FROM COURSE OF DEALING OF TRADE USAGE, AND ANY AND ALL STATUTORY WARRANTIES OF ANY KIND. Any warranty claim by Buyer to Seller must be received within three (3) months of the date of delivery of the manufactured Goods. Any tampering with or alterations of the Goods by any person other than an agent of Seller will void all warranties and release Seller of all obligations and liability hereunder. Improper usage of any Goods including, without limitation, installation of Goods into another product or use of the Goods in a manner for which they were not manufactured and intended by Seller will void all warranties and release Seller of all obligations and liability hereunder. Further, Seller does not warrant the Goods against damage caused by misuse, abuse, negligence, or acts of God. Normal wear and tear, as well as damage due to alteration of the Goods not performed by Seller, are also excluded from this warranty. This is the only express warranty given with respect to the Goods purchased from Seller. All other express warranties, guaranties and statements regarding the Goods, whether written or verbal, are deemed null and void and of no effect. For Buyer to avail itself of this warranty, Buyer must provide Seller with a copy of its contract or other dated proof of purchase, and submit same to Seller with a written warranty request. The written request must state in detail the alleged defect(s) or problems with respect to the Goods and must afford Seller at least thirty (30) days to inspect the Goods and determine what, if any, repairs or replacements should be made. Thereafter, Seller shall be afforded a reasonable period of time to provide any necessary repairs or replacements to Buyer. Buyer's remedies for breach of Seller's warranties are limited to replacement of the Goods manufactured or refund of the purchase price, at the sole option of the Seller. Buyer assumes all risk and liability for results obtained by the use of the Seller's Goods. Any technical advice or assistance furnished to Buyer by Seller with respect to the use of its material is given to the Buyer gratis and Buyer assumes all risks in accepting such assistance and advice for any occurrence resulting therefrom. UNDER NO CIRCUMSTANCES WILL SELLER BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES WITH RESPECT TO ANY MANUFACTURED GOODS OR PRODUCTS PROVIDED BY SELLER OR ANY THIRD PARTY, FOR ANY BREACH OF CONTRACT AND/OR CLAIMS OF NEGLIGENCE.

10. All tax, duty or assessment imposed or assessed by any government/state or governmental/state authority upon the manufacturing, production, processing, sale, shipment or use of the Goods which are the subject of this Agreement, or the raw materials from which said Goods are processed, shall be for the account of the Buyer.

11. Nothing contained herein shall be construed to limit Seller's remedies, and Seller may pursue any other remedy available to it under the Uniform Commercial Code or other applicable law or equitable doctrine.

12. If Seller finds it necessary to engage an attorney to enforce its rights hereunder including, but not limited to, the collection of invoiced amounts, Buyer shall reimburse Seller for all attorneys' fees and costs related thereto, whether or not litigation is commenced.

13. Without limiting the Seller's pursuit of any and all other rights and remedies available to it, it is expressly agreed that this Agreement is subject to the Seller's right to set off its obligations hereunder against any debts, claims or obligations owed by the Buyer under or in connection with this Agreement, or any other contracts between the parties.

14. Acceptance of any payment by Seller after the breach of the terms and conditions of this Agreement by Buyer shall not waive any rights or remedies accruing to Seller as a result of such prior breach; and acceptance of any partial payment by Seller shall not waive any right of Seller to collect any remaining amounts due.

15. Buyer is responsible for raw material or subcomponents purchased based on releases and all products for releases. Early cancellation will require the purchase of all raw materials, finished Goods, and/or tooling/engineering charges.

16. Custom orders can incur minimum purchases of raw material requirements. The Buyer may be responsible for consumption of any excess materials through future orders or one time charges.

17. Pricing is valid for 30 days from quoted date and subject to change thereafter based on market pricing of raw materials or other conditions (i.e., fuel delivery increases, retooling, etc.) that have changed since the original quote.

18. Each party acknowledges that its respective performance of its obligations hereunder may require that it have access to confidential business and proprietary information of the other. Each party agrees on behalf of itself and its officers, directors, employees and agents to use its/their best efforts to prevent either duplication or disclosure of the date, plans, specifications, formulae, drawings or any other information whether business or technical, of a confidential nature, which has been furnished directly or indirectly, in writing or otherwise to the other. "Confidential Information" shall include such information as would be apparent to a reasonable person, familiar with the disclosing party's business and the industry in which it operated, that such information is of a confidential or proprietary nature and that maintenance of its confidentiality would likely be of commercial value to the disclosing party. "Confidential Information" shall not include information that is in the public domain prior to its disclosure, becomes part of the public domain through no wrongful act of the receiving party, was in the lawful possession of the receiving party or was independently developed by the receiving party.

19. Clerical errors are subject to correction. Reorders, if accepted by Seller, are considered as placed under the same Terms and Conditions as the previous contract. All changes of specifications after order (or after Goods have been started) are subject to charge to the Buyer for any additional costs incurred by Seller.

20. In the case of a reduction or cancellation of an order, the Buyer agrees to pay for any expenses that have been incurred by Seller, including material costs, molding costs, tooling costs, labor costs, and any other expenses.

21. Seller, when requested, will give assistance to Buyer in the form of suggestions concerning design and construction of parts and/or molds, but Seller does not assume any responsibility or liability for the practicality of any such design suggestions offered or recommended, if adopted by Buyer.

22. Orders for the Goods cannot be cancelled, altered, or suspended without written consent of Seller, and the expense thereof, if any, will be the responsibility of Buyer. Altering or changing of the Goods from their original design will be done at Buyer's risk and expense. Orders for such changes must be submitted to Seller and accepted in writing.

24. Final determination of the suitability of the Goods provided pursuant to this quotation shall be the sole responsibility of the Buyer, and Seller shall have no responsibility in connection with such suitability. Seller shall have absolutely no liability or responsibility for the adequacy of design of the Buyer's Goods, or for the suitability of materials specified by Buyer for Seller's manufacture thereof.

25. Buyer may at any time require Seller to implement changes to the specifications or design of the Goods or to the scope of any services or work covered by this Agreement, including work related to inspection, testing or quality control. Buyer will discuss any such changes with Seller as early as practical, and upon agreement with the price of these changes, Seller will implement such changes. Buyer will equitably determine any adjustment in price or delivery schedules resulting from such changes, including Buyer's payment of reasonable costs of modifications to Seller's Goods necessary to implement such changes. In order to assist in the determination of any equitable adjustment in price or delivery schedules, Seller will, as requested, provide information to Buyer, including documentation of changes in Seller's cost of production and the time to implement such changes. In the event of any disagreement arising out of such changes, Buyer and Seller will work to resolve the disagreement in good faith.

26. Buyer shall defend, indemnify and hold Seller, its officers, employees and agents, harmless from and against all liability, loss and expenses of any kind, including attorneys' fees, arising out of any claim of infringement of any patent, copyright, trademark, mask works, or any other intellectual property right of any third party in connection with the Products. Buyer will also indemnify and hold Seller harmless from and against any liability, cost or expense (including attorneys' fees), and from any damages awarded, resulting from any product liability claim of any third party with respect to the Goods.

27. Seller will make every reasonable effort to accommodate Buyer requested schedule changes; however, requests for delayed ship dates must be received by Seller in writing within five (5) working days prior to the scheduled ship date. Seller reserves the right to demand immediate and full payment from Buyer for custom raw materials, work in process or finished Goods held by Seller at Buyer's request for more than seventy-five (75) days beyond the original scheduled ship date. Seller further reserves the right to limit the number of reschedules of any order.

28. Buyer is responsible to pay cancellation charges related to Buyer's order cancellation. Cancellation charges shall include, as applicable, the landed cost of raw materials, raw materials restocking fees if allowed, work in process, finished Goods, partial or completed tooling, and miscellaneous items directly related to the cancelled order. Buyer is obligated to pay cancellation charges within thirty (30) days of invoice date.

29. Seller reserves the right to terminate Buyer's order of Goods at any time for any reason. In addition to any other rights of Seller to terminate herein, Seller may, at its option, immediately terminate all or any part of Buyer's order for Goods at any time and for any reason, by giving ninety (90) days' written notice to Buyer. Under no circumstances will Seller be liable for and shall not be required to make payment to Buyer, directly or on account of claims by Buyer's subcontractors, for incidental, consequential, loss of anticipated profit, product development and engineering costs, facilities and equipment rearrangement costs, general and administrative burden charges, or special damages with respect to any manufactured Goods provided by Seller or any third party, from termination initiated by Seller.

30. Any proposal for additional terms and conditions or any attempt by Buyer to alter any terms and conditions through Buyer's acceptance by purchase order or through other means shall not operate as a rejection of Seller's offer to sell but shall be deemed an acceptance by Buyer of this offer to sell without said altered terms and conditions. The terms and conditions contained herein shall prevail over any additional or altered terms and conditions contained in Buyer's purchase order.

31. This Agreement constitutes the entire and integrated agreement and understanding between Seller and Buyer, and this Agreement supersedes and replaces any prior or contemporaneous negotiations, understandings and agreements regarding the subject matter hereof. This Agreement shall not be deemed amended or canceled unless such amendment or cancellation is set forth in a writing signed by the parties. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Buyer shall not assign this Agreement or any right herein, in whole or in part, without the prior written consent of Seller. The provisions of this Agreement shall take precedence and control over all inconsistent provisions set forth in any other prior, contemporaneous or subsequent contract, purchase order, purchase memo, proposal or other written instrument executed by the parties from time to time, unless the terms of this Agreement are expressly superseded by express written intention of the parties in a subsequent written and signed instrument. If this Agreement is generated following receipt of a purchase order, purchase memo or other memorialization prepared by Buyer, the terms and conditions of this Agreement shall supersede and take precedence over any such memorialization(s) and shall be controlling. This Agreement shall be governed by and construed in accordance with Michigan law, notwithstanding any conflicts of laws, principles or doctrines. To the extent any provision(s) of this Agreement are deemed illegal or otherwise unenforceable, they shall be stricken and the remaining portions hereof shall remain in full force and effect. **All claims, causes of action, lawsuits, and proceedings, arising from or otherwise relating to this Agreement or the goods ("Claims"), which are not properly filed and commenced by Buyer within one (1) year from the date of this Agreement or the date of delivery of the Goods, whichever is earlier, are hereby forever waived, relinquished and barred.** All Claims shall be brought exclusively in the courts located in Jackson County, Michigan (USA) and Buyer hereby consents to the jurisdiction and venue of said courts to the maximum extent possible.