

General Terms and Conditions of Purchase

1. Scope

1.1 Supplier acknowledges and agrees that these General Terms and Conditions of Purchase (the "Terms and Conditions") are incorporated in, and made a part of, each purchase order, requisition, work order, shipping instruction, specification or other document, whether expressed in written form, by electronic data interchange or other tangible format provided to Supplier. The Terms and Conditions shall be applicable to all purchases made by TriMas Corporation, its subsidiaries and divisions and any entity controlling, controlled by, or under common control with it ("Buyer"), from the Supplier, whether purchases are for tooling, machines, parts, raw materials, or other various goods or services (the "Supplied Goods").

1.2 A Purchase Order (as defined below) and the Terms and Conditions shall constitute the entire agreement applicable to and binding on Buyer for the Supplied Goods, and expressly excludes any application by the Supplier to substitute its general terms of sale as well as any documents issued now or in the future by the Supplier relating, directly or indirectly, to the Supplied Goods. Any proposal, offer, counter-offer, or other attempt by the Supplier to vary any of the Terms and Conditions shall be rejected, and Supplier agrees that any such additional or inconsistent terms shall have no force and effect. Notwithstanding the foregoing, any stenographic or clerical errors to the Terms and Conditions are subject to correction by Buyer.

2. Price, Invoicing and Conditions of Payment

2.1 All prices for Supplied Goods shall be as stated in the purchase order (the "Purchase Order"). Supplier shall be solely responsible for all transport and unloading costs, customs charges, taxes and insurance costs, unless otherwise specified on the Purchase Order.

2.2 Supplier's invoice shall include all information appearing on the Purchase Order necessary for identification and origin of the Supplied Goods. The invoice shall be sent to the invoicing address written on the face of the Purchase Order.

2.3 No payment shall be made by Buyer in advance of receipt of the Supplied Goods. Unless otherwise stated on the Purchase Order, the Supplier's invoice shall be payable, sixty (60) days from the date of invoice. All invoicing and payments shall be made through electronic data interchange.

2.4 Payment for Supplied Goods shall not constitute final acceptance of the Supplied Goods or waive Buyer's right to reject the Supplied Goods. Buyer may reject the Supplied Goods and hold Supplier in default if, at any time, Buyer, or any of its customers, discovers the Supplied Goods to be defective or otherwise not conforming with the requirements of the Purchase Order.

2.5 In addition to any right of setoff provided by law, all amounts due to Supplier shall be considered net of indebtedness of Supplier and its affiliates/subsidiaries to Buyer,

and Buyer shall have the right to setoff against or to recoup any amounts due to Supplier and its affiliates or subsidiaries from Buyer.

2.6 Supplier may not assign any accounts receivable from Buyer to third parties without the prior written approval of Buyer.

2.7 Supplier warrants that the prices for the Supplied Goods sold to Buyer are no less favorable than those prices Supplier currently extends to any other customer for the same or similar Supplied Goods in similar quantities. If Supplier reduces its prices to third parties during the term of a Purchase Order for the Supplied Goods, Supplier shall correspondingly reduce the prices charged to Buyer. Supplier warrants that the prices on the Purchase Order are complete and that no other charges will be added without Buyer's written consent.

2.8 Buyer has the right to audit and review all records of Supplier to enable Buyer to

4.3 At the request of Buyer, Supplier shall provide an appropriate certificate stating the country of manufacture of the Supplied Goods.

4.4 Supplier shall comply with all quality requirements as specified by Buyer, including, but not limited to, QS 9001, 14001 and ISO/TS 16949.

4.5 Supplier shall participate in productivity initiatives in order to improve quality of the Supplied Goods, increase customer satisfaction or reduce costs of the Supplied Goods.

5. Technical Information

5.1 Supplier shall create, maintain, update and provide to Buyer, all technical information relating to the Supplied Goods, including information subject to industrial or intellectual property rights and information that may relate to tooling, machines or equipment, software, works of authorship, computer programs and databases (including object code, micro code, source code and data structures) and all enhancements, modifications and updates to such information (the "Technical Information"). The Technical Information shall not be subject to any use or disclosure restriction.

5.2 Upon a breach by Supplier of these Terms and Conditions, Supplier grants to Buyer a royalty free, fully paid license for all Technical Information in order to manufacture, or have manufactured, the Supplied Goods. At Buyer's request, Supplier shall transfer to Buyer ownership of the tooling and equipment necessary to manufacture the Supplied Goods, whether or not such tooling and equipment has been paid for by Buyer.

5.3 Supplier agrees not to assert any claim (other than patent infringement) against Buyer, Buyer's customers or their respective suppliers with respect to any Technical Information that Supplier discloses under the Terms and Conditions.

5.4 Buyer shall own all right, title and interest in any idea, invention, concept, discovery, work of authorship, patent, copyright, trademark, trade secret, know-how or other intellectual property developed by Supplier under these Terms and Conditions. Supplier shall assist Buyer in perfecting its right, title and interest and shall execute and deliver all documents reasonably requested by Buyer in order to perfect, register or enforce the same. Buyer shall reimburse any associated costs incurred by Supplier in providing such assistance.

5.5 If a third party asserts claims of actual or alleged infringement of any Technical Information relating to the Supplied Goods, Supplier, at no expense to Buyer, shall obtain for Buyer and its customers, the right to manufacture, use and sell the Supplied Goods or shall substitute an equivalent item acceptable to Buyer, and shall reimburse Buyer for any costs incurred related to this Section 5.5.

6. Packaging and Transport

6.1 Unless otherwise provided in a Purchase Order, the Supplied Goods must be packed and packaged to ensure their safe delivery in accordance with the Terms and Conditions, industry standards and where incorporated, Buyer's packaging specifications.

6.2 Buyer may, at any time, change packaging or transport requirements. Supplier shall be responsible for any damage to the Supplied Goods arising from packaging or transport. If requested by Buyer, Supplier shall promptly furnish to Buyer (a) a list of all ingredients in the Supplied Goods and corresponding amounts of ingredients, and (b) information concerning any changes in or additions to such ingredients.

6.3 Supplier shall provide all Material Safety Data Sheet

plans for the Tools. Supplier shall bear the risk of loss and damage to the Tools. The Tools shall at all time (a) be properly stored, operated and maintained by Supplier, (b) not be used by Supplier for any purpose other than the performance of these Terms and Conditions, (c) be deemed to be personal property of Buyer, not a fixture, (d) be conspicuously identified as property of Buyer with relevant part numbers, (e) not be commingled with other property of Supplier or with that of a third party and (f) not be moved from Supplier's premises without Buyer's prior written approval.

7.4 Supplier shall insure the Tools for damage or loss (including theft) in an amount not less than replacement value and shall maintain general liability insurance regarding operation of the Tools in amounts and coverage reasonable in

8. Delivery

8.1 Unless otherwise specified by Buyer, delivery of the Supplied Goods shall be F.O.B Buyer facility as indicated on the Purchase Order. Buyer shall have the right, by written notice, to suspend work or make changes from time to time in the Supplied Goods to be provided by Supplier under a Purchase Order, or the delivery thereof.

8.2 Supplier shall take all measures necessary to meet the delivery date for the Supplied Goods and comply with the Terms and Conditions. Deliveries shall be made in the quantities, on the dates, and at the times specified by Buyer in the Purchase Order.

8.3 Supplier shall not fabricate, assemble or ship any Supplied Goods, or procure materials or Tools, except to the extent authorized by the Purchase Order. Buyer shall not pay for any Supplied Goods, materials, Tools and related costs that are not authorized pursuant to the Buyer Purchase Order.

8.4 Supplier agrees that time is of the essence. Supplier further agrees that if Supplier fails to deliver conforming Supplied Goods pursuant to the schedules set forth in the Purchase Order, Buyer may obtain substitute or replacement Supplied Goods without notice to Supplier, and thereafter reject any late Supplied Goods tendered by Supplier, even if conforming, and/or elect to terminate the Purchase Order by written notice to Supplier. Supplier shall be responsible for all general, consequential, and incidental damages incurred by Buyer as a result of Supplier's failure to meet delivery schedules with conforming goods, including but not limited to, the cost of any line shutdown, the cost of obtaining Supplied Goods from an alternate source and expedited or premium freight or transportation costs. In addition to the above remedies, Buyer may apply late delivery penalties of 10% of the invoice amount against any invoice, for all Purchase Orders for which the Supplied Goods were delivered late to Buyer. Buyer's actions in obtaining substitute or replacement products shall not constitute an election of remedies, nor shall it in any way limit the rights and remedies of Buyer under the Purchase Order for breach by Supplier.

8.5 Supplier shall provide written notice to Buyer immediately of any actual or potential labor dispute, and all related information relating to the dispute, which may delay or threaten to delay the timely performance of Supplier under a Purchase Order. Buyer may purchase Supplied Goods from a third party immediately upon receipt of notice from Supplier, if Buyer deems it necessary, in its sole discretion. Supplier shall notify Buyer six (6) months in advance of the expiration of any current labor contract(s). Prior to the expiration of any labor contract, Supplier shall store, at its expense, a minimum thirty (30) day inventory of finished Supplied Goods at a warehouse unaffected by the labor contract.

9. Risk of Loss. Risk of loss with respect to the Supplied Goods shall remain with the Supplier until the Supplied Goods have been delivered to and accepted by Buyer, or

an agent or consignee duly designated by Buyer, at the location indicated on the Purchase Order.

10. Changes.

10.1 Buyer shall have the right, by written notice, to suspend work or make changes from time to time in the Supplied Goods to be provided by Supplier under a Purchase Order, or the delivery thereof. Unless subject to Section 13, if any such change causes an increase or decrease in the cost of or time required for performance of a Purchase Order by Supplier, an equitable adjustment shall be negotiated promptly and in good faith by the parties, and the Purchase Order shall be modified in writing accordingly. Supplier must submit in writing any claim for adjustment to Buyer within thirty (30) days from the date that notification of the change is received by Supplier. Upon approval of the claim by Buyer, any excess or obsolete Tools or Supplied Goods set forth in the claim shall become the property of Buyer, to dispose or utilize as Buyer deems necessary. Notwithstanding the foregoing, Supplier shall be required to continue to perform under the revised Purchase Order.

11. Acceptance of Supplied Goods

11.1 The Purchase Order shall be deemed to have been accepted by Supplier and constitute a binding contract upon the earlier of Supplier's (a) written acknowledgment, (b) commencement of work on the Supplied Goods or (c) shipment of the Supplied Goods. Buyer may revoke its offer or terminate a Purchase Order without liability to Supplier at any time before Buyer receives actual notice of Supplier's acceptance. If the Purchase Order shall be deemed accepted based on a prior offer by Supplier, such acceptance is limited to and expressly made conditional on assent to the express terms set forth in the Purchase Order.

11.2 Buyer and its customers shall have the right to enter Supplier's premises at reasonable times to verify that the Supplied Goods conform to the Purchase Order. Supplier agrees to provide all supporting documentation requested by Buyer in the course of the investigation. Final acceptance of the Supplied Goods by Buyer shall not be conclusive with respect to latent defects or misrepresentations.

11.3 Buyer reserves the right to reject or revoke acceptance of nonconforming Supplied Goods, which includes but is not limited to defects or defaults revealed by inspection, analysis or subsequent manufacturing operations, even though such items previously may have been accepted, non-compliance with the Purchase Order or non-compliance with the date and hours of delivery at any time.

11.4 In addition to Article 11.3 and any other remedies Buyer may have, at its option, Buyer may (a) correct or have correct.82 -1.10006 Tc 0.0869 Twdc5.3 465.(fie7he Pu30.15

retrieve the non-conforming Supplied Goods. If defects or deficiencies in the Tools provided by Supplier are discovered by Buyer prior to a successful runoff and final acceptance, Buyer shall be entitled to, among other remedies, a return of all sums paid to date under this contract.

11.5 Supplier shall be responsible for the design and manufacture of the Supplied Goods to the extent designated by Buyer in the Purchase Order or as otherwise agreed to in writing by the parties, regardless of any assistance provided by Buyer or approval by Buyer.

12. Express Warranty.

12.1 Supplier expressly warrants for the Warranty Period (as defined in this Article 12) that (a) the Supplied Goods shall strictly conform to the Purchase Order, including instructions, advertisements, statements on containers or labels, descriptions and samples, then current release/revision levels of specifications and drawings, (b) the Supplied Goods shall be free from defects in workmanship and material and shall be new and of the highest quality, (c) Buyer shall receive title to the Supplied Goods that is free and clear of any liens, encumbrances and any actual or claimed patent, copyright

the AM Best rating. Supplier's insurance

termination after default or breach of Supplier), Supplier shall be reimbursed for (a) the Purchase Order price for all finished goods or performed services which conform to the Purchase Order and are delivered to Buyer, and (b) Supplier's reasonable actual cost of work in process or raw materials which Supplier produced or acquired in connection with such Purchase Order and which Supplier cannot reasonably use in its operations within ninety (90) days after the date of termination. Supplier shall furnish any claim for reimbursement of costs within thirty (30) days after termination or any such claim shall be deemed to have been waived. Supplier shall not be paid for any work performed after receipt of the notice of termination, or for any costs incurred by Supplier's suppliers or subcontractors which Supplier could reasonably have avoided or that were not authorized pursuant to a valid Purchase Order or material release by Buyer. Buyer's obligation to Supplier upon termination under this subsection 16.2, if any, shall be limited to the express provisions of this section. Without limiting the foregoing, in no event shall Buyer be liable for any lost profits, cancellation charges, or incidental or consequential damages.

16.3 Supplier may not terminate any purchase order once accepted and at all times must continue to deliver the Supplied Goods in accordance with the Purchase Order.

17. Applicable Law and Jurisdiction. These Terms and Conditions shall be governed by the laws of the State of Michigan without regard to rules pertaining to conflicts of law. The federal, state and local courts located in the State of Michigan shall have exclusive jurisdiction for any disputes relating to these Terms and Conditions. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to these Terms and Conditions. If any provision is or becomes invalid or unenforceable under any law, the remaining provisions shall be in full force and effect as written.

18. Work on Premises. If Supplier's work under these Terms and Conditions involves operations by Supplier on Buyer premises or one of its customers, Supplier shall take all necessary precautions to prevent injury to any person or property during the progress of such work. Supplier shall maintain such public liability, property damage and employee's liability and compensation insurance as will protect Buyer from these risks and from any claims under applicable worker's compensation and occupational disease acts. This insurance is in addition to the insurance provisions as set forth in Section 14.2. Supplier's performance under these Terms and Conditions shall be consistent and in accordance with current labor agreements between Buyer and any union organization with which Buyer may have a collective bargaining agreement.

19. Miscellaneous Provisions.

19.1 Assignment/Change in Control. Supplier shall not assign, in whole or in part, any Purchase Order or delegate the performance of its duties under any Purchase Order or these Terms and Conditions without the prior written consent of Buyer. Any assignment

or delegation without the prior written consent of Buyer, at the option of Buyer, shall serve as a cancellation of the Purchase Order. Any consent by Buyer to an assignment shall not waive Buyer's right to recoupment from Supplier or its assigns for any claim arising out of these Terms and Conditions. If Buyer agrees to the assignment of the Purchase Order, in whole or in part, Supplier shall remain solely liable to Buyer for the adherence of the assignee to these Terms and Conditions. In addition, Buyer may terminate these Terms and Conditions upon giving at least thirty (30) days written notice to Supplier, without any liability to Supplier, if Supplier (i) sells, or offers to sell, a material portion of its assets, (ii) sells or exchanges, or offers to sell or exchange, or causes to be sold or exchanged, a sufficient amount of its stock or other equity interests that effects a change in the control of Supplier or (iii) executes, or otherwise becomes subject to, a voting or other agreement or trust that effects a change in the control of Supplier.

19.2 Force Majeure. Any delay or failure of either party to perform its obligations shall be excused if caused by an extraordinary event or occurrence beyond the control of the nonperforming party and without the nonperforming party's fault or negligence, such as acts of God, fires, floods, windstorms, explosions, riots, natural disasters, wars, terrorist attacks and sabotage. Written notice of the delay, including the anticipated duration of the delay, must be given by the nonperforming party within ten (10) days of the event. During the period of any delay or failure to perform by Supplier, Buyer, at its option, may purchase Supplied Goods from other sources and reduce its schedules to Supplier by such quantities, without liability to Buyer, or cause Supplier to procure the Supplied Goods from other sources in quantities and at times requested by Buyer and at the price set forth in the Purchase Order. If requested by Buyer, Supplier shall, within five (5) days of such request, provide adequate assurance that the delay shall not exceed a period of time that Buyer deems appropriate. If the delay lasts more than the time period specified by Buyer, or Supplier does not provide adequate assurance that the delay will cease within the time period, Buyer may, among its other remedies, immediately cancel the Purchase Order and seek damages against Supplier for nonperformance.

19.3 Duty Drawback Rights. The Purchase Order includes all related customs duty and import drawback rights, if any, which Supplier can transfer to Buyer, including rights developed by substitution and rights which may be acquired from Supplier's suppliers. Supplier agrees to inform Buyer of the existence of any such rights and upon request shall supply documents as may be required to obtain the drawback.

19.4 Limitation on Buyer's Liability/Waiver. In no event shall Buyer be liable to Supplier for anticipated profits or for incidental or consequential damages. Buyer's liability for a claim of any kind or for any loss or damage arising out of or in connection with or resulting from these Terms and Conditions, or from any performance or breach, shall in no case exceed the price allocable to the Supplied Goods giving rise to the claim. No action or inaction by Buyer to enforce the Terms and Conditions shall constitute a waiver of compliance with any of the provisions in these Terms and Conditions.

19.5 Relationship of Parties. Supplier and Buyer are independent contracting parties and nothing in these Terms and Conditions shall make either party the agent or legal representative of the other for any purpose, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.

19.6 Remedies and Injunctive Relief. The rights and remedies to Buyer in these Terms and Conditions are cumulative with, and in addition to all other and further remedies provided in law or