

1. **General.** These Purchase Order Terms and Conditions (the "POTC") apply to and are incorporated into every Purchase Order and subsequent revisions (the "Order") issued by ANXeBusiness Corp. and its subsidiaries (herein "Buyer" or "ANX"), as the Buyer of the goods and/or services identified in the Order. The term "Vendor" refers to the party designated as such in the Order. The goods and services to be provided to Buyer by Vendor as specified in the Order may be collectively referred herein as "Supplies". The POTC may be revised from time to time and, upon any revision to the Order, the then current version of the POTC will be applicable. It is Vendor's responsibility to keep current on the POTC.

2. **Terms of the Order; Offer/Acceptance.** The Order is an offer by Buyer to purchase the Supplies from Vendor on the terms of the Order. The Order is effective, and a binding contract is formed, when Vendor accepts the Order. Vendor shall be deemed to have accepted the Order upon the earliest of: (a) Vendor commencing work or performance with respect to any part of the Order; (b) Vendor's written acceptance of the Order; or (c) any conduct by Vendor that recognizes the existence of a contract for the purchase and sale of the Supplies. **The Order is limited to and conditional upon Vendor's acceptance of the terms of the Order.** The Order does not constitute an acceptance of any offer quote or proposal made by Vendor, and Vendor agrees that: (i) a request for quotation or similar document issued by Buyer is not an offer by Buyer; and (ii) any response by Vendor to a request for quotation or similar document issued by Buyer is not an offer by Vendor. In the event Vendor accepts Buyer's offer other than by written acceptance pursuant to item (b) above, Buyer may cancel the Order in its sole discretion, without any payment of any kind to Vendor, if Vendor refuses to provide written acceptance of the Order within two (2) business days following Buyer's written or oral request for such confirmation. Any additional or different terms proposed by Vendor, whether in Vendor's quotation, acknowledgment, invoice or otherwise, are unacceptable to and expressly rejected by Buyer, and are hereby waived by Vendor and are not a part of the Order. However, any proposed modification of the terms of the Order by Vendor shall not operate as a rejection of the Order if Vendor commences work or is otherwise deemed to have accepted Buyer's offer as provided above, in which case the Order shall be deemed accepted by Vendor without any such proposed modifications. Any reference in the Order to Vendor's quote or other prior communication does not imply acceptance of any term, condition or instruction but is solely to incorporate the description and/or specifications of the Supplies, but only to the extent that such description or specifications are not in conflict with the description and specifications in the Order. If the Order is found to be an acceptance of any prior offer or proposal by Vendor, such acceptance shall be limited to and conditional upon Vendor's acceptance of the terms of the Order.

3. **Packing and Shipping.** Any goods purchased hereunder must be suitably packed and prepared for shipment to secure the lowest transportation rates or appropriately packed to comply with any specific transportation specifications of Buyer, and in all cases, to comply with carrier's regulations. All charges for packing, crating and transportation are included in the price for the goods set forth herein and will be paid by Vendor. A Packing List shall accompany each box or package shipment showing the order number specified hereon as well as the item number and a description of the goods. In the event that no such Packing List accompanies any shipment, the count,

weight or other measure of Buyer shall be final and conclusive. Buyer shall not be obligated to accept any shipments in excess of the ordered quantity and any excess or advance shipments may be returned to Vendor at Vendor's expense.

4. **Delivery.**

4.1 Time is of the essence in the performance of the Order, and if delivery of items is not made in the quantities and at the times specified in the Order, Buyer reserves the right, without liability, and in addition to its other rights and remedies, to take either or both of the following actions: (a) direct expedited shipping of items, with any difference in cost caused by such changed to be paid by Vendor; and/or (b) terminate the Order by notice with respect to stated items not yet shipped and to purchase substitute items elsewhere and charge Vendor for any losses incurred. Vendor shall promptly advise Buyer of any delay or anticipated delay in delivery or performance of the Order.

4.2 Unless otherwise stated in the Order, all pricing and shipments of goods are to be made DDP (as defined in Incoterms 2010) to Buyer's designated destination.

5. **Inspection.** All Supplies shall be subject to inspection and test by Buyer, its agents and its customers at all reasonable times and places, whether during or after manufacture as to goods, or performance as to services, and notwithstanding the terms of delivery or payment or, as to goods, that title has not yet passed to Buyer or its customers. In the event Supplies are not in accordance with the specifications and instructions of Buyer, Buyer may require prompt correction, repair, replacement or re-performance thereof at Buyer's option and Vendor's sole expense. If Vendor is unable to accomplish the foregoing, then Buyer may procure such Supplies from another source and charge to Vendor's account all costs, expenses and damages associated therewith. After Vendor is notified of the foregoing defects or non-conformances, all risk of loss with respect to the affected goods shall be the responsibility of Vendor and Vendor shall pay all packing and shipping charges in connection with such defective or non-conforming goods. Buyer's approval of designs furnished by Vendor shall not relieve Vendor of its obligations hereunder.

6. **Changes and Suspension.** Buyer may, by written notice to Vendor at any time, make changes within the general scope of the Order in any one or more of the following: (a) drawings, designs or specifications or statement of work; (b) quantity; (c) time or place of delivery and/or performance; (d) method of shipment or packing; and (e) the quantity of Buyer furnished property. Buyer may, for any reason, direct Vendor to suspend, in whole or in part, delivery of goods or performance of services hereunder for such period of time as may be determined by Buyer in its sole discretion. If any such change or suspension causes a material increase or decrease in the cost of, or the time required for the performance of any part of the work under the Order, an equitable adjustment shall be made in the Order price or delivery schedule, or both, provided Vendor shall have notified Buyer in writing of any claim for such adjustment within twenty (20) days from the date of notification of the change or suspension from Buyer. No such adjustment or any other modification of the terms of the Order will be allowed unless authorized by Buyer by means of a written modification to the Order. Vendor shall proceed with the work as changed without interruption and without awaiting settlement of any such claim.

7. **Force Majeure.** Any delay or failure of either party to perform its obligations shall be excused if Vendor is unable to produce, sell or deliver, or Buyer is unable to accept delivery, buy or use, the goods or services covered by the Order, as the result of an event or occurrence beyond the reasonable control of the party and without its fault or negligence, including, but not limited to, acts of God, actions by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars, sabotage, labor problems (including lockouts, strikes and slowdowns), inability to obtain power, material, labor equipment or transportation, or court injunction or order; provided that written notice of such delay (including the anticipated duration of the delay) shall be given by the affected party to the other party as soon as possible after the event or occurrence (but in no event more than ten (10) days thereafter). During the period of such delay or failure to perform by Vendor, Buyer, at its option, may purchase goods and services from other sources and reduce its schedules to Vendor by such quantities, without liability to Vendor, or have Vendor provide the goods and services from other sources in quantities and at times requested by Buyer, and at the price set forth in the Order. In addition, Vendor at its expense shall take such actions as are necessary to ensure the supply of goods and services to Buyer for a period of at least thirty (30) days during any anticipated labor disruption or resulting from the expiration of Vendor's labor contract(s). If requested by Buyer, Vendor shall, within ten (10) days, provide adequate assurances that the delay shall not exceed thirty (30) days. If the delay lasts more than thirty (30) days or Vendor does not provide adequate assurance that the delay will cease within thirty (30) days, Buyer may immediately terminate this contract without liability.

8. **Warranty.** Vendor represents and warrants that: (a) all goods delivered pursuant hereto will be new, unless otherwise specified, and free from defects in material and workmanship; (b) all goods will conform to applicable specifications, drawings, and standards of quality and performance, and all items will be free from defects in design and shall be merchantable and suitable for their intended purpose; (c) the goods covered by the Order are fit and safe for consumer use, if so intended; and (d) that any services performed hereunder shall be performed in accordance with the specifications and instructions of Buyer, and with that degree of skill and judgment exercised by recognized professional firms performing services of a similar nature and consistent with best practices in the industry. Vendor further warrants that it has good and warrantable title to the goods. All representations and warranties of Vendor shall extend to Buyer and Buyer's customers. Remedies under this warranty shall include, without limitation, at Buyer's option and at Vendor's sole expense, prompt repair, replacement, re-performance, or reimbursement of the purchase price. The foregoing warranties shall survive any delivery, inspection, acceptance or payment by Buyer.

9. **Termination for Convenience.**

9.1 Buyer shall have the right to terminate the Order, in whole or in part, at any time, without cause, by providing written notice to Vendor. Upon receiving notice of such termination, Vendor shall:

9.1.1 stop all work on the Order on the date and to the extent specified;

9.1.2 place no further contracts related to the Order except as may be necessary for completing such portions of the Order as have not been terminated;

9.1.3 terminate all contracts to the extent that they may relate to portions of the Order that have been terminated; and

9.1.4 protect all property in which Buyer has or may acquire an interest and deliver such property to Buyer.

9.2 Within twenty (20) days from such termination, Vendor may submit to Buyer its written claim for termination charges in the form prescribed by Buyer. Failure to submit such claim within such time shall constitute a waiver of all claims and a release of all Buyer's liability arising out of such termination. Under no circumstance shall Vendor be entitled to anticipatory or lost profits.

9.3 Buyer reserves the right to verify claims hereunder and Vendor shall make available to Buyer, upon its request, all relevant, non-proprietary books and records for inspection and audit (e.g., time cards and receipts). If Vendor fails to afford Buyer its rights hereunder, Vendor shall be deemed to have relinquished its claim.

10. **Termination for Default.**

10.1 Buyer may, by written notice of default to Vendor, terminate the whole or any part of the Order in any one of the following circumstances:

10.1.1 Vendor fails to make delivery of the goods or complete performance of the services within the time specified herein or any extension thereof; or

10.1.2 Vendor fails to perform any of the other provisions of the Order or so fails to make progress as to endanger performance of the Order in accordance with its terms, and does not cure such failure within a period of ten (10) days after receipt of notice from Buyer specifying such failure; or

10.1.3 Vendor becomes insolvent or the subject of proceedings under any law relating to the relief of debtors or admits in writing its inability to pay its debts as they become due.

10.2 If the Order is so terminated, Buyer may procure or otherwise obtain, upon such terms and in such manner as Buyer may deem appropriate, goods and/or services similar to those terminated. Vendor shall be liable to Buyer for any excess costs of such similar goods and/or services.

10.3 Vendor shall transfer title and deliver to Buyer, in the manner and to the extent requested in writing by Buyer at or after termination, such complete or partially completed articles, property, materials, parts, tools, fixtures, plans, drawings, information and contract rights as Vendor has produced or acquired for the performance of the terminated part of the Order and Buyer will pay Vendor the contract price for completed articles delivered to and accepted by Buyer and the fair value of the other property of Vendor so requested and delivered.

10.4 Vendor shall continue performance of the Order to the extent not terminated. Buyer shall have no obligation to Vendor in respect to the terminated part of the Order except as herein provided.

11. **Indemnification.** Vendor shall indemnify, defend and hold Buyer and Buyer's customers harmless from and against any and all damages, losses, liabilities and expenses (including reasonable attorneys' fees) arising out of or relating to any claims, causes of action, lawsuits or other proceedings, regardless of legal theory, that result or arise, in whole or in part, from Vendor's (or any of Vendor's subcontractors, suppliers, employees, agents or representatives): (i) intentional misconduct, negligence, or fraud; (ii) acts or omissions; or (iii) products or services including, without limitation, any claims that such products or services infringe any patent, copyright, trademark, trade secret or any other proprietary right of any third party.

## **12. Insurance.**

12.1 In accordance with Section 11.2 below, upon Buyer's request, Vendor agrees to provide Certificates of Insurance evidencing that the required insurance coverages are in force and providing not less than thirty (30) days notice prior to any cancellation or restrictive modification of the policies. Further, the required insurance coverages below shall be primary and non-contributing with respect to any other insurance that may be maintained by Buyer. The below required coverages and their limits in no way lessen nor affect Vendor's other obligations or liabilities set forth in the Order.

12.2 Vendor agrees to purchase and maintain at its own expense the following insurance coverages with minimum limits as stated:

12.2.1 Statutory Workers' Compensation and Employers' Liability in an amount no less than \$1 Million per occurrence covering its employees;

12.2.2 Commercial General Liability in an amount no less than \$1 million per each occurrence and \$2 million in the aggregate covering bodily injury, broad form property damage, personal injury, products and completed operations, contractual liability, and independent contractors' liability, with Buyer, its officers and employees included as Additional Insureds and a waiver of subrogation shall be obtained from the carrier in favor of Buyer;

12.2.3 Products Liability in an amount no less than \$2 million per occurrence covering bodily injuries or property damage arising out of defective products or work completed; and

12.2.4 All-Risk Property Insurance in an amount adequate to replace property of Buyer and/or Buyer's customer, including supplies covered by the Order, which may be in the possession or control of Vendor, and with Buyer named as a loss payee with respect to loss or damage to said property and/or supplies furnished by Buyer.

**13. Confidentiality of Equipment and Data.** Vendor agrees that it will keep confidential the features of any equipment, tools, gauges, patterns, designs, drawings, engineering data or other technical or proprietary information furnished by Buyer and use such items only in the performance of the Order and for no other purpose, unless Buyer's prior written consent is obtained. Vendor also agrees to use any designs or data in accordance with any restrictive legends placed on such items by Buyer or any third party. Upon completion or termination of the Order, Vendor shall return all such items to Buyer or make such other disposition thereof as may be directed or approved by Buyer.

## **14. Patents and Data.**

14.1.1 If any experimental, developmental or research work is performed hereunder, the Order may provide that Buyer is to receive all right title and interest in and to: (a) any copyrighted or copyrightable material delivered or incorporated into any deliverable hereunder; (b) all or any part of any deliverable hereunder, including without limitation, any reports, drawings, blueprints, data, software and technical information; and/or (c) any invention, improvement or discovery (whether or not patentable) that Vendor conceives or first actually reduces to practice in the performance of the Order.

14.2 If the Order does not provide Buyer with all right, title and interest in and to the items listed in Section 12.1.1 above, then Vendor agrees to and hereby does grant to Buyer an irrevocable, non-exclusive, fully transferable, royalty-free license to make, have made, use and sell all such listed items.

## **15. Customs Regulations.**

15.1 Vendor shall obtain all export licenses or authorizations necessary for the export of Supplies, unless otherwise set forth in the

Order, in which case Vendor shall promptly provide to Buyer all information necessary to enable Buyer to obtain the licenses or authorizations. Vendor shall promptly notify Buyer in writing of any material or components incorporated in the Supplies that Vendor purchases in a country other than the country in which the Supplies are delivered. Vendor shall furnish any and all documentation and information necessary to establish the country of origin or to comply with the applicable country's rules of origin requirements. Vendor shall promptly advise Buyer of any material or components imported into the country of origin and any duty included in the Supplies' purchase price. If Supplies are manufactured in a country other than the country in which Supplies are delivered, Vendor shall mark Supplies "Made in [country of origin]." Vendor shall provide to Buyer and the appropriate governmental agency the documentation necessary to determine the admissibility and the effect of entry of Supplies into the country in which Supplies are delivered. Vendor warrants that any information that is supplied to Buyer about the import or export of Supplies is true and that all sales covered by the Order shall be made at not less than fair value under the anti-dumping laws of the countries to which the Supplies are exported.

15.2 All credits or benefits resulting from the Order, including trade credits, export credits or the refund of duties, taxes or fees, belong solely to Buyer. Vendor shall promptly provide all information and certificates (including NAFTA Certificates of Origin) necessary to permit Buyer to receive the full amount of such benefits or credits. Vendor agrees to fulfill all customs- or NAFTA-related obligations, origin marking or labeling requirements, and local content origin requirements.

15.3 Vendor shall indemnify and hold Buyer harmless from and against any liability, claims demands or expenses (including attorney's fees or other professional fees) arising from or relating to Vendor's noncompliance with this Section. Vendor shall be responsible for the full costs of any delay in delivery of the Supplies caused by its failure to comply with the requirements of this Section, including missing, incomplete, untimely or inaccurate data being furnished to Buyer, Buyer's agents or any governmental authority.

**16. Responsibility For Property.** In the case of any tools, dies, jigs, fixtures, patterns, equipment, facilities or other property (hereafter "property") of Buyer and/or Buyer's customer which may be in the possession or control of Vendor in connection with the Order, Vendor shall use such property only in performance of and as specifically authorized by the Order. Vendor should take appropriate measures including clearly marking, maintaining an inventory and segregating Buyer's property to protect Buyer's rights and interests in any property provided by Buyer to Vendor. Such property shall be returned to Buyer in the condition in which it was received by Vendor, except for ordinary wear and tear and except to the extent that such property has been incorporated into goods delivered hereunder or has been consumed in the production of such goods. Risk of loss with respect to all such property shall be the responsibility of Vendor. Vendor shall indemnify, defend and hold harmless Buyer from any loss or damage to such property which is caused by or results from any act or omission on the part of Vendor or its agents, employees or subcontractors. If Vendor acquires or manufactures any property in connection with the Order and charges Buyer therefor, Buyer may, at its option upon completion or termination of the Order, elect to take title to such property and, upon receiving notice of such election, Vendor shall deliver such property to Buyer.

**17. Disputes.** Any controversy, claim or dispute ("Dispute") arising out of or relating to the Order shall be resolved by binding arbitration in accordance with the Commercial Arbitration Rules of the

American Arbitration Association then in effect. Before commencing any such arbitration, the parties agree to enter into negotiations to resolve the Dispute. If the parties are unable to resolve the Dispute by good faith negotiation, either party may refer the matter to arbitration. The arbitration shall take place in the metropolitan area of Detroit, Michigan. The arbitrator shall be bound to follow the provisions of the Order in resolving the Dispute, and may not award punitive damages or any damages excluded by the Order. The decision of the arbitrator shall be final and binding on the parties, and any award of the arbitrator may be entered or enforced in any court of competent jurisdiction.

**18. Relationship of Parties.** Vendor is an independent contractor and nothing contained in the Order shall be deemed or construed to create a partnership, joint venture, agency or other relationship other than that of supplier and customer. Vendor will be solely responsible for payment of all compensation owed to its employees, as well as employment related taxes.

**19. Subcontracts and Assignments.** Vendor agrees to obtain Buyer's approval before subcontracting the Order or any portion thereof; provided, however, that this limitation shall not apply to the purchase of standard commercial supplies or raw materials. Further, the Order shall not be assigned or delegated by Vendor without the prior written consent of Buyer.

**20. Compliance with Laws.** Vendor and the Supplies provided hereunder shall comply with the applicable provisions of any federal, state or local law or ordinance and all orders, rules and regulations issued thereunder.

**21. Payment.** Invoices shall contain the following information: order number, item number, description of articles, sizes, quantities, unit prices and extended totals. Invoices submitted hereunder will be paid Net thirty (30) days after receipt of invoices or acceptance of delivered items by Buyer, whichever occurs later. Any adjustments in Vendor's invoices due to shortages, late delivery, rejections, or other failure to comply with the requirements of the Order may be made by Buyer before payment. Cash discounts will be taken from the date of final acceptance of delivered items, or the date of acceptable invoice, whichever is later. Payment shall not constitute final acceptance. Buyer may offset against any payment hereunder any amount owed to Buyer by Vendor.

**22. Taxes.** The price(s) set forth herein shall include all applicable Federal, State and local taxes and duties.

**23. Publicity and Disclosure.** Vendor shall not use the name or logo of Buyer or Buyer's customers in any news release, public announcement, advertisement, or other form of publicity, or disclose any of the terms or subject matter of the Order to any third party except as may be required to perform the Order, without securing the prior written consent of Buyer.

**24. Conflict of Interest.** Vendor shall exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with Buyer's or Buyer's customer's best interests in connection with the Order. This obligation shall apply to the activities of Vendor's employees and agents in their relations with Buyer's employees, their families, vendors and third parties arising from the Order and accomplishing work hereunder. Vendor's efforts shall include, but shall not be limited to, establishing precautions to prevent its employees or agents from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations for any purpose whatsoever.

**25. Non-Waiver of Rights.** The failure of Buyer to insist upon strict performance of any of the terms and conditions in the Order or to

exercise any rights or remedies, shall not be construed as a waiver of its rights to assert any of same or to rely on any such terms or conditions at any time thereafter. Acceptance and/or payment of any part of the Order shall not bind Buyer to accept future shipments nor deprive Buyer of the right to return goods already accepted or for which Buyer has made payment. Acceptance or payment shall not be deemed to be a waiver of Buyer's right to cancel or return all or any part of the goods because of failure to conform to the Order or by reason of defects, whether latent or patent, or other breach of warranty, or to make any claim for damages of any and all kind.

**26. Remedies.** Any rights and remedies specified under the Order shall be cumulative, non-exclusive and in addition to any other rights and remedies available at law or equity.

**27. Severability.** If any term contained in the Order is held or finally determined to be invalid, illegal or unenforceable in any respect, in whole or in part, such term shall be severed from the Order, and the remaining terms contained herein shall continue in force and effect, and shall in no way be affected, prejudiced or disturbed thereby.

**28. Interpretation.** The captions and headings used in the Order are solely for the convenience of the parties, and shall not be used in the interpretation of the text of the Order. Each party has read and agreed to the specific language of the Order; therefore no conflict, ambiguity, or doubtful interpretation shall be construed against the drafter.

**29. Order of Precedence.** This Order and all of the exhibits, schedules and documents attached hereto are intended to be read and construed in harmony with each other, but in the event of an inconsistency or conflict between provisions of the Order, the inconsistency or conflict shall be resolved by giving precedence in the following order: (i) the Purchase Order and any purchase descriptions or scope of work; (ii) the POTC; (iii) specifications and drawings, if any; and (iv) other provisions when attached

**30. Governing Law; Jurisdiction.** The Order is to be construed according to the laws of the State of Michigan and the United States of America, excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods and any conflict of law provisions that would require application of another choice of law. Any legal action or proceeding arising under this Agreement will be brought exclusively in the federal or state courts located in the State of Michigan and the parties hereby irrevocably consent to the personal jurisdiction and venue therein.

**31. Entire Agreement.** The Order, including all documents incorporated by reference into the Order, shall constitute the entire agreement and understanding between the parties hereto and shall supersede and replace any and all prior or contemporaneous representations, agreements or understandings of any kind, whether written or oral, relating to the subject matter hereof.

**32. Survival.** The terms and conditions of the Order regarding payment, ownership of intellectual property, nondisclosure, warranty and indemnification, and all others that by their sense and context are intended to survive the execution, delivery, performance, and termination of the Order, survive and continue in effect.