

TIERCON CORP. PURCHASE ORDER TERMS & CONDITIONS

The terms of the purchase order, these terms and conditions and any riders and signed documents referred to in the purchase order, (collectively, the PO), constitute the entire agreement between Tiercon Corp. as the case may be, its successors and assigns, (Tiercon) and Supplier relating to the subject matter of the purchase order and supersede any prior agreements. The PO, including without limitation, any changes to pricing, may be modified only by a written agreement signed by Tiercon and Supplier. Any references in the PO to Supplier's quotation or other documentation prepared by Supplier relating to the subject matter of the PO is for the purposes of defining the scope of work only and Tiercon hereby rejects all terms and conditions proposed by or set out by Supplier therein. Any performance by Supplier under the PO constitutes acceptance by Supplier of these terms.

These terms apply to the PO unless modified or waived on the face of the PO. The terms on the face of the PO and these terms shall, to the extent possible, be interpreted consistently. In the event of conflict, terms on the face of the PO prevail.

1. **Changes:**

Tiercon reserves its right to change quantities, delivery schedules and/or specifications upon notice to the Supplier. If such changes affect cost or timing, Tiercon may at its discretion equitably adjust the price or time for performance where Supplier's direct costs are materially affected after receipt of such supporting documentation as Tiercon may require.

2. **Length of Term:**

Under no circumstances will an order automatically renew or continue.

3. **Delivery:**

Time is of the essence. Notwithstanding that the purchase order may not set out a duration or quantities of goods to be supplied thereunder, Supplier agrees that deliveries shall be in quantities and at times set out in releases issued by Tiercon unless and until the PO is terminated or cancelled by Tiercon. Tiercon may change the rate of or temporarily suspend scheduled shipments, and the Supplier shall not be entitled to any change in the prices(s) set out herein. Tiercon does not guarantee any amounts to be set out in releases. All delivery dates reflect the date the product is to be delivered at Tiercon designated delivery point. Any premium costs associated with meeting this requirement are the responsibility of Supplier, unless otherwise authorized in writing by Tiercon. ALL shipments made after the required delivery date MUST be by expedited carrier as defined by Tiercon and ALL costs associated with any such shipments are the responsibility of Supplier. Tiercon shall not be obligated to accept any late delivery. Without limiting the generality of the foregoing, Supplier agrees that after termination of the current model production of the vehicle model for which goods supplied hereunder are produced, Supplier will, pursuant to releases issued by Tiercon, sell goods to Tiercon to enable Tiercon to fulfill its and its customer's service and replacement parts requirements for past model years at the prices then specified in the last purchase order for current model production for fifteen (15) years of past model service.

4. **Delays:**

If at any time Supplier has reason to believe that deliveries will not be made on time, written notice setting forth the cause and length of the anticipated delay will be given immediately to Tiercon. During such delay, Tiercon may at its option buy the goods from other sources and reduce its schedules to Supplier by such quantities, without liability to Supplier, or have Supplier provide the goods from other sources in quantities and at times requested by Tiercon and at the price(s) set forth in the PO.

5. **Labor Disputes:**

Supplier will notify Tiercon immediately of any actual or potential labour dispute delaying or threatening to delay timely performance of this order and will include all relevant information to Tiercon. Supplier will notify Tiercon in writing at least (6) six months in advance of the expiration of any current labour contract(s). If requested by Tiercon, Supplier will deliver a supply of finished goods at least thirty (30) days prior to the expiration of any such labour contract, in quantities and for storage at any place or places designated by Tiercon at Supplier's expense.

6. **Quality:**

Tiercon may inspect and reject defective goods within a reasonable time after delivery. Notwithstanding prior payment, incoming transportation costs of such goods will be charged to Supplier. Tiercon may, at its option, at Supplier's expense, return defective goods or scrap such goods internally for credit or reimbursement, or rework defective goods at the greater of the actual cost of such rework and Tiercon's standard charges for such rework. If defective goods provided by Supplier directly result in Tiercon incurring any costs, including without limitation the cost of downtime in a facility of Tiercon or a customer of Tiercon, Supplier will compensate Tiercon for such costs at the greater of the actual cost incurred by Tiercon and Tiercon's standard charges for such costs and Tiercon shall be entitled to debit Supplier's

account for such costs. At Tiercon' option, it will be Supplier's responsibility to replace any defective product at its sole cost and expense and to pay to Tiercon any incremental costs incurred by Tiercon associated with such defective product. If Tiercon holds defective goods, it will do so on Supplier's instruction at Supplier's risk. If Supplier fails to give written instructions within 10 days of receiving notice from Tiercon that Tiercon is holding defective goods, Tiercon may charge Supplier for storage and handling or dispose of the goods without liability to Supplier.

7. Quality Systems:

By accepting the PO Supplier agrees to comply with any and all industry quality standards (including without limitation IATF and ISO 9000, as amended or superseded) and upon receipt of reasonable prior notice, to provide full access to TIERCON in order to conduct audits of Supplier's Order Processing system in keeping with such standards.

8. Right to Audit:

Tiercon shall have the right, during regular business hours (except in the case of emergency, in which case Tiercon shall have the right at any time), to inspect all or part of any facility of the Supplier where goods which are the subject matter of the PO are, in whole or in part, manufactured, assembled, shipped, or sequenced and all processes of the Supplier related to the supply to Tiercon of such goods. If Tiercon wishes to inspect a facility or processes of the Supplier, it shall provide not less than one (1) business day's prior notice, and the notice shall identify the facility, the areas, or the processes to be inspected. Supplier shall provide Tiercon with access to its facilities to conduct such inspection and Supplier shall cooperate fully with Tiercon in the course of any such inspection.

9. Packaging:

Each package shall be clearly identified with Tiercon's PO number, Tiercon's part number and contents quantity (or weight where appropriate). All packaging to follow Supplier's standard practice unless otherwise indicated on the purchase order or on a Material Specification Sheet. All material to be shipped in a manner that protects the material from outside elements. All items to be packaged without use of any waste products. Wood and paper shroud is not acceptable. Individual packages are limited a 30 lb. weight restriction. Any packages in excess of 30 lbs. must receive prior written approval of Tiercon and be shipped on skids and be lift truck accessible.

10. Shipping Documents:

All Packing Slips, Bills of Lading and Customs Documentation must clearly show the PO number and release number if assigned.

11. Invoicing and Payment:

Each invoice shall clearly show the detail on the PO including as a minimum, Tiercon's PO number (and release if applicable), PO item number, Tiercon's part number, unit price, extended price, shipment date and bill of lading number. All payments shall be made in the currency specified on the face of the Purchase Order and no interest shall be paid on any overdue amounts.

In addition to any right of set-off or recoupment provided by law, Tiercon may, without notice, set-off against or recoup from any amounts owed to Supplier or Supplier's related or affiliated companies amounts that Tiercon claims are owed to Tiercon or to Tiercon's related or affiliated companies by Supplier or Supplier's related or affiliated companies. If any obligations of Supplier or its related or affiliated companies are disputed, contingent or unliquidated, Tiercon may defer payment of amounts due until such obligations are resolved.

12. Cash Discount:

If invoices are subject to cash discount, the discount period begins when Tiercon receives the invoice. If Supplier fails to attach necessary documents to the invoice the discount period will not begin until Tiercon receives such documents.

13. Intellectual Property:

Supplier represents and warrants that use or sale by Tiercon of any material supplied hereunder will not infringe on any patent, trademark, license, copyright or other industrial design, intellectual property or proprietary right and agrees to indemnify and save Tiercon and its customer's harmless from any costs, damages, claims or expenses (direct or indirect) arising from any such infringement or alleged infringement, including where supplier has provided only part of the goods or services. Supplier expressly waives any claim that any infringement arose from compliance with Tiercon or its customer's specifications. Tiercon or its subcontractors may repair or rebuild goods supplied under the PO without payment of any kind to Supplier. Parts manufactured based on Tiercon's or its customer's drawings and/or specifications may not be used for Supplier's own use or sold to third parties without Tiercon's prior written consent. Supplier will not assert any claim with respect to technical information that Supplier may disclose in connection with goods supplied under the PO. To the extent this contract is issued for the creation of copyrightable works, the works shall be considered "works

made for hire” to the extent that the works do not qualify as “works made for hire”, Supplier hereby assigns to Tiercon or at Tiercon’s option, its customer, all right, title and interest in all copyrights and moral rights therein.

14. Confidentiality and Non-Disclosure

Supplier will keep all Tiercon Information (as defined below) confidential. Supplier shall not disclose any Tiercon Information to any other person or use any Tiercon Information other than for the purpose of supplying goods and services to Tiercon under the PO, without the prior express written consent from an authorized employee of Tiercon. Tiercon retains all rights with respect to the Tiercon Information, and Supplier shall not acquire, nor attempt to obtain, any patent, trademark, copyright, license, or other rights in respect of the Tiercon Information. Supplier shall not allow any Tiercon Information to be reproduced, communicated or in any way used, in whole or in part, in connection with services or goods furnished to others, without the prior express written consent from an authorized employee of Tiercon. "Tiercon Information" means all information furnished by Tiercon, including without limitation, pricing, specifications, drawings, designs, engineering instructions, photographs, reproducible copy, parts lists, plans, reports, working papers, computations, samples, and prototypes, and includes any information relating to the PO (whether prepared by Tiercon, Supplier or any other person).

15. Equipment and other Property:

Unless otherwise expressly agreed to by Tiercon in the PO, Seller shall supply at its own expense all equipment, tools, jigs, dies, fixtures, patterns, drawings, specifications, samples, materials, and facilities required to perform its obligations under the PO (the "Supplier Owned Property"). Supplier hereby grants Tiercon an irrevocable option to take possession of and title to the Supplier Owned Property that is special for the production of the goods to be supplied under the PO, upon payment to Supplier of its net book value less any amounts that Tiercon has previously paid to Supplier for the cost of such items.

Notwithstanding any other provision of the PO, Supplier acknowledges and agrees that all parts, components, assemblies, equipment, materials, tools, moulds, layouts, models, jigs, dies, fixtures, patterns, designs, sketches, blueprints, drawings, specifications, samples, engineering data, technical or proprietary information, special appliances, other equipment or material, facilities, and any reproductions and replacements thereof, any materials affixed or attached thereto, that are furnished to Supplier or paid for, in whole or in part, by Tiercon or by Tiercon's customer, (all items above, collectively the "Tiercon Property"), shall remain the property of Tiercon or its customer, as applicable, and be deemed a bailment. The Tiercon Property, while in Supplier's custody or control and while in the custody or control of Supplier's suppliers, contractors, or agents, shall be held at Supplier's risk, shall be kept insured by Supplier at Supplier's expense against loss or damage in an amount equal to the replacement cost thereof, and shall be subject to removal at Tiercon's written request. Supplier shall promptly notify Tiercon of the location of the Tiercon Property, if any are located anywhere other than Supplier's facility. Unless otherwise expressly stated in the PO, Supplier shall maintain accounting and property control records for Tiercon Property in accordance with sound industrial practices. Supplier shall, at Supplier's expense, maintain the Tiercon Property in good condition and repair, and shall replace any of the Tiercon Property if, as and when necessary or reasonably required. Upon completion or termination of the PO, Supplier shall retain on a bailment basis, the Tiercon Property still then in the physical possession of Supplier, at Supplier's expense, until directions are received from Tiercon. Supplier shall allow Tiercon to take possession of the Tiercon Property at any time, which includes the right to enter onto Supplier's premises or to require Supplier to pack and ship the Tiercon Property (which packing and shipping shall be at Supplier's expense in the case of a termination of the PO by TIERCON for a breach by Supplier) to a destination selected by Tiercon; Supplier waives its own rights to any mechanics lien statute or mould maker lien statute (or similar lien statute) and shall indemnify and hold harmless Tiercon from any third party claim, including any claim arising out of any mechanics lien statute or mould maker lien statute (or similar lien statute). The Tiercon Property shall be in no less than the same condition as originally received by Supplier, reasonable wear and tear excepted.

16. USMCA:

Supplier is obligated to annually provide Tiercon with all appropriate Certificates of Origin to satisfy USMCA requirements. Supplier will be responsible for any costs or penalties relating to Supplier's failing to provide certification or providing fraudulent certification.

17. Custom Duties and Documents:

For shipments crossing the border into or out of Canada, Supplier is responsible for providing in quadruplicate with each shipment, all necessary documentation required for each shipment. Tiercon is responsible for the clearance of goods based upon said documents and Supplier will be responsible for any costs associated with inadequacies in these documents. Without limitation, it is Supplier's responsibility to provide the correct tariff classification of goods supplied under the PO. If Tiercon incurs any costs or losses as a result of an inaccurate tariff classification, such costs or losses shall be paid by Supplier to Tiercon and Tiercon shall be entitled to debit Supplier's account for such costs or losses.

Supplier shall make all necessary arrangements for goods to be covered by any duty deferral or free trade zone program of the country of import.

Unless otherwise expressly stated in the PO, prices include customs duties and expenses, tariffs, and all federal, provincial, state and local taxes (including all import taxes, excise taxes and sales taxes) applicable to the manufacture, sale or provision of the goods or services supplied hereunder.

18. Inspections:

Tiercon and Tiercon' customer or customer's representatives may inspect and/or test the goods at any time at its own expense and Supplier, at no charge, will make its premises available for this purpose and provide any necessary assistance to make the procedures safe and convenient. No inspections and/or tests by Tiercon will relieve Supplier of its obligations to inspect and test the goods. In addition to any other remedies it may have, if Tiercon finds any goods to be defective or not in conformity with its specifications or requirements, it may return them for a refund of the purchase price, require Supplier to repair or replace them, or rework or repair them itself or through third parties, and Supplier will reimburse Tiercon for all resulting costs.

19. Warranty:

Goods: Supplier represents and warrants that goods supplied hereunder will conform to Tiercon' specifications, drawings, samples or other description provided from time to time and will be:

- I. fit for the purposes intended,
- II. merchantable,
- III. of good material and workmanship and free from defect and shall comply with all other warranties implied or provided by law.

A supplier knows Tiercon's intended use and warrants that all goods supplied hereunder are designed, manufactured, or assembled by Supplier based on Tiercon's intended use and will be fit and sufficient for that purpose. Supplier will reimburse Tiercon for all damages (direct or indirect) which Tiercon may incur if Supplier breaches these warranties. The warranty period shall be the longer of that provided by applicable law and that offered by Tiercon to its customers.

Services: Supplier represents and warrants to TIERCON that services provided hereunder will conform in all respects to TIERCON's requirements, specifications, drawings, and other instructions provided from time to time and will be:

- I. provided in strict accordance with this PO;
- II. performed using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner and shall devote adequate resources to meet its obligations under this PO; and
- III. performed in compliance with all applicable laws and regulations and highest industry standards.

In the event that the services provided under this PO involve, in any manner, the repair of equipment, machinery, fixtures, products or any other goods of any kind (the "Repair Services"), Supplier further represents and warrants to Tiercon that the Repair Services will result in the equipment, machinery, fixtures, products or goods, as the case may be, being restored to good normal working order and will be fit for the purposes intended for the longer of one (1) year after the Repair Services are performed or until twelve (12) months after the time any mistake or deficiency in the Repair Services could reasonably be discovered.

Supplier further represents and warrants that none of the services, or Tiercon' use thereof, infringe or will infringe any patent, copyright, trademark or other intellectual property right of any third party.

In the event of Supplier's breach of any of the foregoing representations or warranties, upon Tiercon's written request, Supplier shall promptly use its best efforts to cure such breach at Supplier's sole expense and reimburse Tiercon for all damages (direct or indirect) which Tiercon may incur.

The representations and warranties set out in this Section are cumulative and are in addition to any other warranty provided by law or equity. These warranties survive any acceptance of or payment by Tiercon. Any applicable statute of limitations runs from the date of Tiercon' discovery of the noncompliance with the foregoing warranties.

20. Documentation:

All documentation including data, drawings and designs which are generated by Supplier further to its obligations under the PO, whether in electronic form or otherwise, may not be used by Supplier other than in connection with the PO and shall become the property of Tiercon immediately upon payment by Tiercon of any amount under the PO. Supplier shall furnish to Tiercon, without restrictions on disclosure, all such information, documents, data, or other materials.

21. Compliance with Law, etc.:

In fulfilling its obligations hereunder, Supplier, its employees, agents, representatives and contractors and any goods provided hereunder shall at all times comply with all applicable laws, orders, ordinances, rules and regulations, including without limitation appropriate health and safety practices. In addition, the Supplier agrees to forthwith advise the General Counsel of Tiercon if it becomes aware of evidence of a conflict of interest involving such Supplier and any employee of Tiercon.

22. Save Harmless:

Supplier hereby agrees to indemnify and hold Tiercon, its affiliates, their directors, officers, employees, agents and customers ("Indemnitees") harmless from any loss, liability, claim, cost, demand, expense, action and all other obligations and proceedings including without limitation all judgments rendered against, and all fines and penalties imposed upon Indemnitees, and all legal fees and any other costs of litigation ("Liabilities") arising out of warranty claims, product recall claims, product liability claims, injuries to persons, including death, or damage to property caused by Supplier, its employees, agents, subcontractors or in any way attributable to the performance of Supplier, including without limitation breach of contract, breach of warranty or product liability; provided however, that Supplier's obligation to indemnify Tiercon will not apply to any liabilities solely arising from Tiercon's negligence.

Without limiting the foregoing, Supplier shall pay any costs incurred by Tiercon, including costs charged by its customers as a result of Supplier's failure to comply with any provision of this PO, including without limitation, shipping or delivery requirements and Tiercon shall be entitled to debit Supplier's account for such costs.

23. Assignment or Subcontracting:

Supplier shall not assign or subcontract any portion of the PO without the prior written consent of Tiercon.

24. Hazardous Substances:

Supplier agrees to promptly furnish to Tiercon:

- I. upon written request a list and description of all ingredients in materials purchased hereunder, including ingredients which could reasonably be considered pollutants, contaminants, chemicals, deleterious substances or industrial toxic or hazardous wastes or substances; and
- II. thereafter information concerning any changes in such ingredients.

25. Insolvency:

Tiercon may immediately terminate this contract without liability to Supplier in any of the following or any other comparable events: (a) insolvency of Supplier; (b) filing of a voluntary petition in bankruptcy by Supplier; (c) filing of any involuntary petition in bankruptcy against Supplier; (d) appointment of a receiver or trustee for Supplier; or (e) execution of an assignment for benefit of creditors by Supplier, provided that such petition, appointment or assignment is not vacated or nullified within 15 days of such event. Supplier shall reimburse Tiercon for all costs incurred by Tiercon in connection with any of the foregoing, including, but not limited to, all attorneys or other professional fees.

26. Termination for Breach or Nonperformance; Sale of Assets or Change in Control:

Tiercon reserves the right to terminate all or any part of this contract, without liability to Supplier, if supplier: (a) repudiates or breaches any of their terms of this contract, including Supplier's warranties; (b) fails to perform services or deliver goods as specified by Tiercon; (c) fails to make progress so as to endanger timely and proper completion of services or delivery of goods; and does not correct such failure or breach within 10 days (or such shorter period of time if commercially reasonable under the circumstances) after receipt of written notice from Tiercon specifying such failure or breach. In addition, Tiercon may terminate this contract upon giving at least 60 days notice to Supplier, without liability to Supplier, if Supplier (i) sells, or offers to sell, a material portion of its assets, or (ii) sells or exchanges, or offers to sell or exchange, or causes to be sold or exchanged, a sufficient amount of its stock that effects a change in the control of Supplier.

27. Termination for Convenience:

In addition to any other rights of Tiercon to terminate this contract, Tiercon may, at its option, immediately terminate all or any part of this contract, at any time and for any reason, by giving written notice to Supplier. Upon such termination, Tiercon shall pay to Supplier the following amounts without duplication: (a) the contract price for all goods or services that have been completed in accordance with this contract and not previously paid for; and (b) the actual costs of work-in-process and raw materials incurred by Supplier in furnishing the goods or services under this contract to the extent such costs are reasonable in amount and are properly allocable or apportionable under generally accepted accounting principles to the terminated portion of this contract; less, however, the sum of the reasonable value or cost (whichever is higher) of any goods or materials used or sold by Supplier with Tiercon' written consent, and the cost of any damaged or destroyed goods or material. Tiercon will make no payments for finished goods, services, work-in-process, or raw

materials fabricated or procured by Supplier in amounts in excess of those authorized in delivery releases nor for any undelivered goods that are in Supplier's standard stock or that are readily marketable. Payments made under this Paragraph shall not exceed the aggregated price payable by Tiercon for finished goods or services that would be produced or performed by Supplier under delivery or release schedules outstanding at the date of termination. Except as provided in this Paragraph, Tiercon shall not be liable for and shall not be required to make payments to Supplier, directly or on account of claims by Supplier's subcontractors, for loss of anticipated profit, unabsorbed overhead, interest on claims, product development and engineering costs, facilities and equipment rearrangement costs or rental, unamortized depreciation costs, or general and administrative burden charges from termination of this contract. Within 60 days from the effective date of termination, Supplier shall submit a comprehensive termination claim to Tiercon, with sufficient supporting data to permit Tiercon' audit, and shall thereafter promptly furnish such supplemental and supporting information as TIERCON shall request. Tiercon or its agents shall have the right to examine all books, records, facilities, work, material, inventories, and other items relating to any termination claim of Supplier.

28. Remedies:

Tiercon may avail of any other remedy in the PO and those available at law or equity. All such remedies are cumulative. Tiercon' failure to resort to any remedy is not a waiver of any default or remedy.

29. Customer Contact:

Tiercon is responsible for all contact with its customer regarding the goods to be supplied under the PO. Supplier (including its affiliates) may not contact Tiercon's customer regarding such goods unless specifically authorized by Tiercon in writing. Unless Supplier has been authorized to deal directly with Tiercon's customer, Supplier (including its affiliates) shall respond to any inquiry from Tiercon's customers by requesting that the inquiry be directed to Tiercon, and Supplier shall simultaneously advise Tiercon of the inquiry.

30. No Publicity:

Supplier shall not, and shall require that any Subcontracts shall not, cause or permit to be released any publicity, advertisement, news release, public announcement, or denial or confirmation of same, in whatever form, regarding any aspect of the PO, the goods to be supplied there under or the program to which the PO pertains, without Tiercon's prior written approval.

31. Additional Requirements:

Tiercon's website may contain additional requirements of the Supplier, either in relation specifically to certain items covered by the PO, including for example and without limitation, packaging, shipping, and quality specifications, or in relation to the Supplier more generally, including for example and without limitation, sustainability and business ethics and rules relating to the use of subcontractors. Any such requirements shall be deemed to form part of the PO and are binding on Supplier. Tiercon may periodically update such requirements by posting revisions thereto on its website and, upon such posting, any such updated requirement shall become binding on Supplier. Tiercon shall endeavor to give notification of such updated requirements and their effective date to the Supplier but any failure to do so shall not affect the binding nature of such updated requirements on Supplier. Supplier acknowledges its obligation to review Tiercon's website from time to time and otherwise inform itself as to Tiercon's requirements which will change from time to time. In the event of conflict between the terms contained on the face of the PO and those on Tiercon's website (including those incorporated by reference into these terms and conditions), the terms on the face of the PO shall prevail. You may visit Tiercon's website at www.Tiercon.com.

32. Waiver of Compliance:

The waiver by Tiercon of any breach or threatened breach or failure to insist upon strict compliance with the obligations under this PO shall not act as a waiver of or estoppel with respect to any subsequent or other breach or threatened breach.

33. Severability:

If any provision, clause or phrase of these terms and conditions shall, for any reason and to any extent, be deemed by any court of competent jurisdiction to be invalid or unenforceable, the remainder of these terms and conditions and the application of every other provision, clause, or phrase to Tiercon and Supplier shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

34. Governing Law:

The PO shall be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein. For greater certainty, the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this PO. Any legal proceeding related in any way to the PO shall be commenced in a court in Ontario. The parties consent to the exclusive jurisdiction of such court as their freely negotiated choice of forum for all such legal

proceedings. Any legal proceeding related to the PO filed by Supplier against Tiercon shall be brought within two (2) years after the cause of action arises.