

WELLS VEHICLE ELECTRONICS, LP TERMS AND CONDITIONS AGREEMENT

1. The Contract.

1.1 *Offer and Acceptance.* Each purchase order Buyer issues (“**Purchase Order**”) is Buyer’s offer to purchase the products (“**Products**”) and services (“**Services**”) identified in that Purchase Order. Wells Vehicle Electronics will be deemed to have accepted a Purchase Order as issued only if Wells Vehicle Electronics acknowledges in writing its acceptance of the Purchase Order. Upon acceptance, the Purchase Order together with this Terms and Conditions Agreement (“**Agreement**”) and any other documents specifically incorporated in the Purchase Order or separately agreed to in writing, will become a binding contract between Buyer and Wells Vehicle Electronics (collectively, the “**Contract**”). If Wells Vehicle Electronics objects to a Purchase Order or proposes alternate or additional terms, the Purchase Order will become a Contract only if and when Buyer and Wells Vehicle Electronics mutually agree in writing, even if Wells Vehicle Electronics has begun to perform under the Purchase Order. Specific terms and conditions on the face of the Purchase Order and other documents comprising the Contract will take priority over any inconsistent provision in this Terms and Conditions Agreement.

1.2 *Changes.* Either party may from time to time by notice to the other party request, with appropriate supporting documentation, reasonable changes, within the scope of the Contract, to the drawings, specifications, materials, packaging, testing, quantity, time or method of delivery or shipment, or similar requirements prescribed in the Contract. The parties will agree in writing upon an equitable adjustment to the Contract prices and times for performance as a result of such changes.

2. Products and Services.

2.1 *Quantity.* If quantities or delivery schedules are not specified in the Contract, they will be as reasonably determined by Buyer and stated in Buyer’s firm releases issued to Wells Vehicle Electronics from time to time. Whether quantities or delivery terms are “reasonably determined” shall take into account, without limitation: (i) any capacity limitations specified in the Contract or otherwise agreed to by Buyer and Wells Vehicle Electronics in writing; (ii) unusual volume or timing fluctuations that are inconsistent with customary lead time requirements or any lead time requirements specified in the Contract or otherwise agreed to by Buyer and Wells Vehicle Electronics in writing. However, in all events, Wells Vehicle Electronics shall use reasonable commercial efforts to meet Buyer’s quantities and delivery schedules.

2.2 *Current-Model Service Requirements.* During the term of a Contract, Wells Vehicle Electronics will make Products covered by the Contract available to Buyer for Buyer’s current-model service requirements at the then-current production prices under the Contract plus any additional costs for special packaging, shipping and handling, and other related services.

2.3 *Past-Model Service Requirements.* If a Contract remains in effect at the end of the production program in which Products covered by the Contract are incorporated, Wells Vehicle Electronics will also make those Products available to Buyer for Buyer’s past-model service requirements for a period of 3 years after the end of the production program. The parties will negotiate in good faith the prices, quantities, and delivery terms for past-model service Products based on the availability and cost of needed materials, supplies, and skilled workers, the additional costs for equipment setup, packaging, shipping and handling, related services, and other relevant factors.

3. Delivery.

3.1 *Packing and Shipment.* Buyer may specify the method of transportation and the type and number of packing slips and other documents to be provided with each shipment. Wells Vehicle Electronics will pack and ship Products in accordance with Buyer’s instructions, including labeling and hazardous materials instructions. If Buyer has not provided packing or shipping instructions, Wells Vehicle Electronics will pack and ship Products in accordance with sound commercial practices. If Wells Vehicle Electronics is required to use

Buyer's returnable packaging, Wells Vehicle Electronics will be responsible for cleaning and returning the returnable packaging. If returnable packaging is not available, Wells Vehicle Electronics may use expendable packaging and Buyer will reimburse Wells Vehicle Electronics for the reasonable costs of expendable packaging.

3.2 Delivery Schedules. Wells Vehicle Electronics will deliver Products and Services in strict accordance with the Contract terms. Unless otherwise stated in the Contract, Products will be delivered Ex Works Wells Vehicle Electronics's dock (EXW Incoterms 2010) and title will transfer upon receipt of the Products by the freight carrier. If Products are not ready for delivery in time to meet Buyer's delivery schedules, the party causing the delay will be responsible for additional costs of any resulting expedited or other special transportation. Buyer will also be responsible for additional costs of expedited or other special transportation that Buyer required as a result of changes to its firm releases or delivery schedules or for other reasons not caused by Wells Vehicle Electronics.

3.3 Planning Profile. Wells Vehicle Electronics and Buyer agree on the following production planning profile which entails a Forecast which includes a Finished Goods Authorization and a Materials Authorization. The Forecast is the period of time for which the Buyer provides Wells Vehicle Electronics with its forecasted estimates of the quantities and delivery dates for finished goods under a Purchase Order. The Forecast period will be 52 weeks. The Finished Goods Authorization (Fixed Firm PO Release) is the portion of the Forecast period for which the Buyer agrees to purchase the agreed upon finished good quantities. The Finished Goods Authorization will be set at 12 weeks and will run concurrently with the Materials Authorization. The Material Authorization is the period of time for which the Buyer authorizes Wells Vehicle Electronics to procure raw material in accordance with the Forecast quantities and dates. The Material Authorization period will be 26 weeks. Buyer agrees to provide an updated Forecast, including the Finished Goods Authorization period, on a weekly basis. Buyer agrees to limit the variability in week-to-week changes in the total quantity of the Finished Goods Authorization to plus/minus 15% and understands that any changes beyond this limit may require a cost adjustment for expediting or cancelling raw material orders.

3.4 Special Materials. Buyer and Wells Vehicle Electronics agree that certain custom components have lead times that exceed the Materials Authorization period and those components, and respective material authorization time frames, will be documented in a separate "Special Materials Appendix". This will allow the assembly lead time to remain reasonable and reduce the risk of excess inventory of all other components within the assembly. The "Special Materials Appendix" will be updated periodically by mutual agreement.

3.5 Spot Buy Orders. Buyer and Wells Vehicle Electronics agree that for some part numbers a Forecast and Planning Profile may not be practical. Orders that are not part of a Forecast and Planning Profile will be considered Spot Buy Orders. For Spot Buy Orders, the Buyer will issue Purchase Orders according to section 1.1, Wells Vehicle Electronics will make reasonable commercial efforts to deliver Products according to the lead time provided in the Wells Vehicle Electronics quotation.

3.4 Buyer's Right to Cancel. Buyer has the right to cancel any Purchase Order by submitting written notice of cancellation to Wells Vehicle Electronics. Buyer's liability for cancellation will be limited as follows: (a) if Buyer cancels after Finished Goods Authorization, Buyer will pay full agreed upon piece price for all goods subject to the Finished Goods Authorization through the date of cancellation, less any credits for cancelable material supply contracts or use of such material in the manufacture of other goods; (b) if Buyer cancels before Finished Goods Authorization, Buyer will reimburse Wells Vehicle Electronics for its documented material costs for the cancelled Products through the date of cancellation, less any credits for cancelable material supply contracts for the Products or the sale or use of such material in the manufacture of other goods, plus for any parts called out in the "Special Materials Appendix". Wells Vehicle Electronics will make commercially reasonable efforts to mitigate all amounts for which it seeks reimbursement from Buyer under this section.

4. Inspection.

Buyer may, upon reasonable advance notice to Wells Vehicle Electronics, inspect production processes and Property and, subject to Wells Vehicle Electronics' prior written approval, conduct testing at Wells Vehicle Electronics' premises for the sole purpose of verifying Wells Vehicle Electronics' performance under the Contract. Wells Vehicle Electronics may restrict Buyer's access as necessary to protect proprietary information and may require appropriate indemnification and releases. Buyer is not required to inspect Products delivered or Services performed, and no inspection or failure to inspect will reduce or alter Wells Vehicle Electronics' obligations under the Contract.

5. Taxes.

Unless otherwise stated in the Contract, the Contract price does not include federal, state, provincial, and local taxes other than sales, value added, or similar turnover taxes or charges. Wells Vehicle Electronics will separately invoice Buyer for any sales, value added, or similar turnover taxes or charges that Wells Vehicle Electronics is required by law to pay or collect from Buyer.

6. Payment.

Payment terms are Net 30 days. Wells Vehicle Electronics will promptly submit correct and complete invoices or other agreed billing communications with appropriate supporting documentation and other information reasonably required by Buyer after delivery of Products and performance of Services. Wells Vehicle Electronics will accept payment by check or other cash equivalent, including electronic funds transfer in the currency of US Dollars.

7. Product Warranties.

7.1 Wells Vehicle Electronics' Warranties. Unless otherwise specified in the Contract, the warranty period is two years from date of delivery to the Buyer. During the warranty period, Wells Vehicle Electronics warrants to Buyer that the Products will be free from defects in workmanship and materials, and will conform to the specifications, drawings, samples, and performance requirements as specified in the PPAP documentation signed by Buyer's representative. Wells Vehicle Electronics also warrants to Buyer that it will transfer to Buyer ownership and good title to Products delivered and Services provided, free of all liens, encumbrances, and rights of third parties (except those created by Buyer). Unless otherwise specifically stated in the Contract, Wells Vehicle Electronics does not warrant the design of the Products or their fitness for any particular purpose.

THE FOREGOING WARRANTIES ARE THE SOLE WARRANTIES AND ALL OTHER WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, ARISING BY LAW OR CUSTOM, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED.

7.2 Non-Conforming Products. Buyer's sole remedy for Products or Services that do not conform to the warranties in section 7.1 will be to at Wells Vehicle Electronics' option and expense (including applicable shipping costs), either repair or replace the non-conforming Products or Services. To the full extent possible, Buyer will provide Wells Vehicle Electronics with access to any available warranty data related to the Products and any available field-returned Products. Buyer will also provide Wells Vehicle Electronics with an opportunity to participate in any root cause analysis performed by Buyer concerning the Products.

7.3 Recalls. This section 7.3 applies to any voluntary or government-mandated offer by Buyer (or the vehicle manufacturer) to vehicle purchasers to remedy an alleged defect that affects motor vehicle safety or to address an alleged failure of a vehicle to comply with an applicable motor vehicle safety standard or guideline (a "**Recall**"). Except as otherwise stated in the Contract, Wells Vehicle Electronics will be liable for costs and damages resulting from a Recall only to the extent resulting from a failure of the Products to conform to the warranties in section 7.1 during the warranty period specified in the Contract. As a condition precedent to Wells Vehicle Electronics' liability under this section 7.3, Buyer must (i) notify Wells Vehicle Electronics as soon as practicable after Buyer learns that a Recall being considered implicates the Products, (ii) provide Wells Vehicle Electronics with available performance evaluations, accident reports, engineering investigations, and other data

relating to the potential Recall, (iii) provide Wells Vehicle Electronics a reasonable opportunity to participate in inquiries and discussions among Buyer, its customer, and governmental agencies regarding the need for and scope of the Recall, and (iv) consult with Wells Vehicle Electronics about the most cost-effective method of modifying or replacing vehicle systems or component parts, including the Products, in order to remedy the alleged defect or non-compliance.

7.4 Limitation on Liability. In no event will Wells Vehicle Electronics be liable for any incidental damages, consequential damages, special damages, punitive damages, statutory damages, indirect damages, loss of profits, loss of revenues, or loss of use, even if informed of the possibility of such damages. Wells Vehicle Electronics liability for damages arising out of or related to this agreement shall in no case exceed in the aggregate an amount equal to twice the price paid to Wells Vehicle Electronics for the Products or Services from which the claim arose. To the extent permitted by applicable law, these limitations and exclusions will apply regardless of whether liability arises from breach of contract, warranty, tort (including but not limited to negligence), by operation of law, or otherwise. Nothing herein, however is intended to disclaim the Wells Vehicle Electronics liability for personal injury or death caused by defective products to the extent such liability is mandated by applicable law.

8. Indemnification.

Wells Vehicle Electronics will defend any claim against the Buyer arising out of any actual or alleged defect in a Product, and indemnify for any final judgment assessed against Buyer resulting from such claim provided that Buyer notifies Wells Vehicle Electronics at such time as it is apprised of the third-party claim, and agrees to give sole and complete authority, information and assistance (at Wells Vehicle Electronics' expense) for the defense and disposition of the claim. Wells Vehicle Electronics will not be responsible for any compromise or settlement made without its written consent.

9. Compliance with Laws

Export and Import Compliance. Buyer is responsible for compliance with all import and export control laws and regulations. Buyer will obtain import, export, and re-export approvals and licenses required for Products, transfers, services and technical data delivered and will retain documentation evidencing compliance with those laws and regulations. Wells Vehicle Electronics will not be liable to Buyer for any failure to provide Products, services, Transfers or technical data as a result of government actions that impact Wells Vehicle Electronics' ability to perform. If Buyer designates the freight forwarder for export shipments from the United States, then Buyer's freight forwarder will export on Buyer's behalf and Buyer will be responsible for any failure of Buyer's freight forwarder to comply with all applicable export requirements. Wells Vehicle Electronics will provide Buyer's designated freight forwarder with required commodity information.

10. Intellectual Property Rights.

10.1 Intellectual Property Ownership. All inventions, discoveries, improvements, processes, designs, ideas and software (whether or not patentable) developed solely by Buyer, either before or after the date of this Purchase Order, will be the sole property of Buyer. All inventions, discoveries, improvements, processes, designs, ideas and software (whether or not patentable) developed solely by Wells Vehicle Electronics, either before or after the date of this Purchase Order, will be the sole property of Wells Vehicle Electronics.

10.2 Non-recurring Engineering Costs (NRE). Buyer recognizes that Wells Vehicle Electronics necessarily draws upon its long-held expertise in electronic product development and manufacturing to facilitate the creation of products under Agreement. Further, Buyer recognizes that all costs or expenses born by Buyer in arriving at the solutions under Agreement are not a true representation of the value imparted to the Buyer by Wells Vehicle Electronics expertise. Exceptions to this are certain production tools unique to the Product which the Buyer funds in whole through separately identified payments to Wells Vehicle Electronics, or otherwise as set forth in writing by the parties.

10.3 No transfer. Neither party will transfer to the other any patent, trade secret, trademark, service mark, copyright, mask work, or other intellectual property right under this Purchase Order, other than the right to use such rights to produce and supply Products and Services to Buyer.

10.4 Infringement.

(a) Subject to section 10.3(b), Wells Vehicle Electronics will indemnify and defend Buyer and its customers against claims, liabilities, losses, damages, costs, and expenses, including reasonable legal fees, arising out of the actual or alleged infringement by the Products of a third-party intellectual property right. If a claim under this section 10.3 results, or is likely to result, in an injunction or other order that would prevent Wells Vehicle Electronics from supplying or Buyer from using Products for their intended purpose, Wells Vehicle Electronics will at its option and expense either (i) secure a license of the intellectual property right that permits Wells Vehicle Electronics to continue supplying the Products to Buyer, or (ii) modify the Products so that they become non-infringing, so long as the modification does not materially alter the operation or performance of the Products, or (iii) replace the Products with non-infringing but practically equivalent Products.

(b) Wells Vehicle Electronics will have no liability under this section 10.3 unless Buyer provides Wells Vehicle Electronics with full information, cooperation, and assistance regarding, and authority to defend, a claim covered by this section 10.3. Wells Vehicle Electronics will have no liability under this section 10.3 if and to the extent that a claim of infringement is based on (1) a Product modification made by Buyer or a third party, (2) a Product modification made by Wells Vehicle Electronics at Buyer's request, (3) use or interconnection by Buyer of the Product in combination with other products not made or sourced by Wells Vehicle Electronics, or (4) Products made to specifications not provided by Wells Vehicle Electronics.

10.5 Software License

Software, if included in the product purchased by Buyer, is hereby licensed and not sold. The license is nonexclusive and is limited to such equipment and/ or location(s) as are specified in the Contract. No other use is permitted and Wells Vehicle Electronics retains for itself (or, if applicable, its suppliers) all title and ownership to any software delivered hereunder, all of which contains confidential and proprietary information and which ownership includes without limitation all rights in patents, copyrights, trademarks and trade secrets. Buyer shall not attempt any sale, transfer, sublicense, reverse compilation or disassembly (save to the extent expressly permitted by law) or redistribution of the software. Nor shall Buyer copy, disclose or display any such software, or otherwise make it available to others (except as Wells Vehicle Electronics authorizes in writing).

11. Property.

11.1 Buyer's Property.

(a) Wells Vehicle Electronics will own the tooling, jigs, dies, gauges, fixtures, molds, patterns, supplies, materials, and other equipment and property used to manufacture, store, and transport Products or provide Services ("**Property**") unless (1) the Property is designated as to be owned by Buyer in the Contract, and (2) Buyer or its customer has provided or paid for the Property. If Buyer owns the Property, Wells Vehicle Electronics will assign to Buyer contract rights or claims in which Wells Vehicle Electronics has an interest with respect to Buyer's Property and execute bills of sale, financing statements, or other documents reasonably requested by Buyer to evidence its or its customer's ownership of Buyer's Property. Wells Vehicle Electronics will indemnify and defend Buyer against claims or liens adverse to Buyer's or its customer's ownership of Buyer's Property except those that result from the acts or omissions of Buyer or its customer. Buyer will be responsible for personal property taxes assessed against Buyer's Property.

(b) Wells Vehicle Electronics will (1) at its expense maintain Buyer's Property in good condition and repair, normal wear and tear excepted, throughout the useful life of Buyer's Property, (2) use Buyer's Property only for the manufacture, storage, and transport of Products for Buyer unless Buyer otherwise approves in writing, (3) at Buyer's request and expense, mark Buyer's Property as belonging to Buyer or its customer, and (4) not remove Buyer's Property (other than shipping containers and the like) from Wells Vehicle Electronics' premises without Buyer's written approval.

(c) Wells Vehicle Electronics will immediately release to Buyer upon request, and Buyer may retake immediate possession of, Buyer's Property and other property of Buyer or its customers at any time, with or without cause and without payment of any kind unless otherwise provided in the Contract. Wells Vehicle Electronics will release the requested Property and other property to Buyer F.C.A. Wells Vehicle Electronics' plant (Incoterms 2010), properly packed and marked in accordance with the requirements of Buyer's carrier. If the release or recovery of Buyer's Property or other property renders Wells Vehicle Electronics unable to produce a Product, the release or recovery will be deemed a termination of the Contract with respect to that Product pursuant to **Section 12** or **13**, as applicable, but Wells Vehicle Electronics' inability to produce such Product as a result thereof shall not be deemed to be a Default by Wells Vehicle Electronics.

(d) Wells Vehicle Electronics' obligation to release and allow Buyer possession of Buyer's Property under Section 11.1(c) shall be conditioned on payment by Buyer of all amounts owed for Buyer's Property under the Contract.

11.2 Wells Vehicle Electronics's Property. Wells Vehicle Electronics will own all Property that is not Buyer's Property ("**Wells Vehicle Electronics's Property**"). Wells Vehicle Electronics will at its expense furnish, maintain in good condition, and replace when necessary Wells Vehicle Electronics' Property needed to perform the Contract.

12. Term and Termination.

If Buyer terminates a Contract before the end of its specified term (other than for Wells Vehicle Electronics' Default), Buyer will (1) purchase completed Products at the Contract price and work-in-process and raw materials at Wells Vehicle Electronics' actual cost, in each case to the extent reasonably necessary to satisfy Buyer's firm releases, and (2) reimburse Wells Vehicle Electronics for reasonable costs actually incurred by Wells Vehicle Electronics as a result of the early termination, including the cost to store the items to be purchased and relocate production to an alternate source and the cost of unreimbursed and unamortized research and development costs, engineering costs, capital equipment, Wells Vehicle Electronics' Property, and supplies that are unique to the Products. If Wells Vehicle Electronics terminates a Contract before the end of its specified term (other than for Buyer's Default), Wells Vehicle Electronics will reimburse Buyer for reasonable costs actually incurred by Buyer to relocate production to an alternate source.

13. Force Majeure.

Wells shall not be liable for any program delay, cost increase, or failure of performance under this Agreement due to any event beyond Wells's control, including but not limited to, war, insurrection, an act of God, terrorism, fire, insurrection, riot, strike or labor dispute, act of a public enemy, sabotage, equipment failure, power failure, laws or regulations, inability to obtain suitable or sufficient labor or material, or any other cause beyond its reasonable control.

14. Customs.

Transferable credits or benefits associated with Products purchased, including trade credits, export credits, or rights to the refund of duties, taxes, or fees, belong to Buyer unless otherwise prohibited by applicable law. Wells Vehicle Electronics will provide Buyer with all information and records relating to the Products necessary for Buyer to (1) receive these benefits, credits, and rights, (2) fulfill any customs obligations, origin marking or labeling requirements, and certification or local content reporting requirements, (3) claim preferential duty treatment under applicable trade preference regimes, and (4) participate in any duty deferral or free trade zone programs of the country of import. Wells Vehicle Electronics will obtain all export licenses and authorizations and pay all export taxes, duties, and fees unless otherwise stated in the Contract, in which case Wells Vehicle

Electronics will provide all information and records necessary to enable Buyer to obtain those export licenses or authorizations.

15. Dispute Resolution.

15.1 Negotiation and Mediation. Buyer and Wells Vehicle Electronics will first endeavor to resolve through good faith negotiations any dispute arising under the Contract. If a dispute cannot be resolved through good faith negotiations within a reasonable time, either party may request non-binding mediation administered by the American Arbitration Association under its Commercial Mediation Procedures.

15.2 Arbitration. If mediation fails to resolve the dispute within 30 days after the first mediation session, either party may submit the dispute to binding arbitration by notice to the other party. Such arbitration will be administered by the American Arbitration Association in accordance with its Commercial [or other] Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

15.3 Litigation. The parties have selected binding arbitration as the sole means to resolve a dispute between them over monetary claims that cannot be resolved through mediation. Either party may pursue through litigation claims that also involve third parties who have not consented to arbitration, claims in litigation commenced by third parties, and claims for injunctive or other non-monetary relief.

16. Miscellaneous.

16.1 Severability. A finding that any provision of the Contract is invalid or unenforceable in any jurisdiction will not affect the validity or enforceability of any other provision of the Contract or the validity or enforceability of that provision in any other jurisdiction.

16.2 Interpretation. When used in these Terms and Conditions Agreement, “including” means “including without limitation” and terms defined in the singular include the plural and vice versa.

16.3 Notices. Any notice or other communication required or permitted in the Contract must be in writing and will become effective on the date of actual receipt if the date of actual receipt is a business day or on the next business day if the date of actual receipt is not a business day.

16.4 Governing Law. Unless otherwise agreed in writing, the Contract will be governed by and interpreted according to the internal laws of Wisconsin.