



PRODUCTION PURCHASING GENERAL TERMS AND CONDITIONS

1. AGREEMENT

- 1.1 Seller agrees to sell and deliver goods or services specified in Behr's Order in ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED IN THE ORDER, THE TERMS OF THIS FORM, THE BEHR MASTER SUPPLY AGREEMENT, AND ANY SIGNED DOCUMENTS REFERENCED IN THE ORDER, all of which constitute the entire and final agreement of the parties and cancels and supersedes any prior or contemporaneous negotiation or agreements.
- 1.2 BEHR'S ORDER EXPRESSLY LIMITS ACCEPTANCE TO THE TERMS OF THE ORDER AND ANY ADDITIONAL OR DIFFERENT TERMS, WHETHER CONTAINED IN SELLER'S FORMS OR OTHERWISE PRESENTED BY SELLER ARE REJECTED UNLESS EXPRESSLY AGREED IN WRITING BY BEHR AND SELLER SPECIFICALLY WAIVES ITS SIGNED ACCEPTANCE OF THIS ORDER BY BEHR.
- 1.3 "Order" means a purchase order or scheduling agreement transmitted to Seller via Behr's Electronic Data Interchange system or delivered to Seller in a paper format.

2. ACCEPTANCE

An Order constitutes Behr's offer to Seller and is not binding upon Behr until accepted by Seller. Seller shall be deemed to have accepted an Order by shipping or delivering the first release or any quantity of goods identified in the Order, by rendering of services specified in the Order, or by commencement of work on goods to be specifically manufactured for Behr pursuant to the Order. If an Order specifies, or refers to another written supplier agreement that specifies, the quantity of goods to be a quantity based upon Behr's requirements or based upon periodic releases issued by Behr, or another quantity designation similar to the foregoing, then in such event the Order shall be deemed a requirements contract. In the event of a requirements contract Order, the duration shall be through the end of the series production of the OEM vehicle or product to which the ordered goods (i.e., manufactured component parts) apply plus the warranty and service term specified elsewhere in this Agreement, unless otherwise expressly stated to the contrary in the Order or other written supplier agreement to which the Order pertains.

3. DELIVERY

- 3.1 Time is of the essence. Delivery must be affected within the time specified in Behr's Order, or in accordance with Behr's releases or procedures, if so indicated in the Order. If Seller fails to make deliveries or perform services at the agreed time, all damages suffered by Behr and any premium transportation or other costs required to meet the specified delivery schedule will be at the expense of Seller.

Behr America, Inc.
2700 Daley Drive
Troy, MI 48083
Tel: (248) 743-3700

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2700 Daley Drive
Troy, MI 48083
Tel: (248) 743-3700

Behr Heat Transfer Systems, Inc.
4500 Leeds Avenue
Charleston, SC 29405
Tel: (843) 745-1233

Behr Dayton Thermal Products LLC
1600 Webster Street
Dayton, OH 45404
Tel: (937) 369-2900

Behr Mexico Servicios, S. de R.L. de C.V.
Blvd. Santa María No. 1440
Parque Industrial Santa María
Ramos Arizpe, Coahuila Mexico C.P. 25903



- 3.2 As soon as Seller sees that he is experiencing difficulties with the procurement of materials, manufacture etc., which could prevent him from supplying the goods within the stipulated period, he shall inform Behr of this fact immediately.

4. PACKING, MARKING AND SHIPMENT

- 4.1 Seller will pack and mark goods and make shipments (including shipping on Saturdays and holidays, when requested, in accordance with Behr's instructions, meet carrier requirements and assure delivery free of damage and deterioration. All shipment of goods to Behr's plants must include two packing slips. Whenever shipment is made by truck, Seller will enclose one of the packing slips (or packing slip sets in the case of multiple item shipments) in an envelope and Seller will attach the other one to the Bill of Lading and deliver it to Behr's receiving department upon arrival at Behr's plant. Seller is responsible for the goods according to the delivery terms specified in the Letter of Intent or Purchase Order.
- 4.2 Behr may specify the carrier and/or method of transportation and Seller will process shipping documents and route shipments of the goods according to the delivery terms specified in the Letter of Intent or Purchase Order. Seller will comply with all of Behr's or its third party logistics provider's transportation routing instructions, including, but not limited to, mode of transportation, utilization of assigned carrier and identification of the shipping point. Seller will be responsible for all excess costs incurred because of its failure to comply with Behr's or its third party logistics provider's transportation instructions.
- 4.3 Behr will not be responsible for delays in the payment of invoices if the following requirements are not met: invoices and packing slips must bear the Behr-assigned supplier code, purchase order number, part number, the release number on blanket orders, the "Ship-to" address, Behr-assigned plant location code, invoice-to address, and whether containers used are "returnable" or "non-returnable".

5. RELEASE AUTHORIZATION

- 5.1 If the Order is a blanket purchase order, such as an Order that does not contain a specified quantity of goods ordered, then the quantity of goods shall be governed by the request for quotation ("RFQ") submitted by Behr to Seller and upon which the Order is based. In such event, the RFQ shall be automatically incorporated into the Order and this Agreement for purposes of establishing the quantity of goods and duration of any requirements contract, notwithstanding the fact that the RFQ might not be expressly referenced in the Order. If the Order or the RFQ specifies that the goods are to be manufactured and supplied to Behr for the life of the program or through the series production of the applicable OEM vehicle program, or if the Order or RFQ contains estimated annual quantities, in such an event the Order shall be deemed a requirements contract with a requirements period through the end of the part life, including the life of the vehicle series production program plus the warranty and service term specified elsewhere in this Agreement.

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- 5.2 If the Order is a blanket purchase order for goods that are raw materials (e.g., aluminum, copper, etc.), such as an Order for raw materials that does not contain a specified quantity of goods ordered, and if there is no applicable RFQ from Behr to Seller, then in such event the Order shall be deemed a requirements contract with a requirements period of five (5) years unless a contrary period is expressly provided in the Order.
- 5.3 In the case of a requirements Order, Behr shall issue releases to Seller from time to time for its requirements.
- 5.4 When deliveries are specified to be in accordance with Behr's written releases, each release constitutes a binding obligation on Seller, and Seller shall not fabricate or assemble any goods, nor procure any required materials to manufacture the goods, nor ship any supplies of goods, except to the extent authorized by such written releases or provisions of the Order specifying minimum fabrication or delivery quantities. However, Seller must be able to respond immediately to a variance in volume of up to twenty percent (20%). This variance shall not be considered a change in the meaning of Section 16 below.

6. INSPECTION AND REJECTIONS

- 6.1 Behr may inspect and evaluate all goods (including all tooling and material used in their manufacture), and all services at times and places designated by Behr. Seller will provide and maintain a Supplier Quality Management System approved by Behr and which meets Behr specifications. Seller's plan will be in compliance with Behr specific quality requirements. Seller will perform inspections as designated by Behr and Seller will make inspections systems, procedures and records available to Behr upon request.
- 6.2 Notwithstanding payment or any prior inspection, Behr may revoke acceptance, reject or require correction and/or return to the Seller (at Seller's expense and risk of loss) any goods delivered or services rendered that do not conform to applicable requirements. This Order is issued for the part specifically identified in the Order and any substitution of material, without prior Behr approval, will be considered a breach of this Order.
- 6.3 Without limiting its remedies, after notice to Seller, Behr may (i) replace or correct any non-conforming goods or services and charge Seller the cost of such replacement or correction, (ii) cancel the Order for default under Clause 21 hereof, (iii) subject Seller's account to a debit for the damages suffered by Behr, and/or (iv) cause the removal of Seller as an approved Behr supplier.

7. COMPETITIVENESS

Seller shall be competitive in price, quality, capacity delivery or timeliness. Behr may audit Seller to verify Seller's competitiveness. In the event that Behr determines in good faith that Seller fails to be competitive, Seller agrees to provide an action plan and timetable within ten (10) days of such determination to cure the deficiency. If Seller fails to provide a plan in a timely manner or the plan fails to cure the deficiency within the agreed upon

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timetable, Behr may at its option withdraw the non-competitive products from this Order and serve notice to terminate, according to Section 24, the obligations of the parties under this Order with respect thereto, effective upon the date specified by Behr in such notice.

8. INTELLECTUAL PROPERTY

- 8.1 Intellectual Property Rights. The term “Intellectual Property Rights” means inventions, patent (including utility patents and design patents), trade secrets, trademarks, service marks, trade dress, industrial design, mask works, copyrights, know-how, software, data base rights and other proprietary rights. The term “Background Intellectual Property Rights” means the Intellectual Property Rights of either Behr or Supplier existing prior to an applicable Order, as well as any improvements thereto, excluding the Foreground Intellectual Property Rights. The term “Foreground Intellectual Property Rights” means any and all Intellectual Property Rights developed for incorporation into the Goods that are either developed by Behr alone, by Behr and Supplier jointly, or by Supplier alone as requested by Behr in connection with any Order. Foreground Intellectual Property Rights do not include any Background Intellectual Property Rights.
- 8.2 Background Intellectual Proprietary Rights. Each party will retain exclusive ownership of its Background Intellectual Proprietary Rights. Behr does not transfer to Supplier any of its Background Intellectual Property Rights, and Supplier may not use the same, other than to produce and supply goods to Behr. Except as stated in this Section 8.2, Supplier does not transfer to Behr any Background Intellectual Property Rights of Supplier, other than Supplier grants to Behr and its customers the right to resell Goods or incorporate Foods purchased from Supplier in vehicles, component parts or assemblies and to sell the same to Behr’s customers. Upon termination or expiration of a Order, Seller grants to Behr an irrevocable, non-exclusive worldwide license, with the right to grant sublicenses, to use Seller’s Background Intellectual Property Rights relating to the terminated or expired Order, subject to Section 38 of these Terms and Conditions, to produce, use, sell and to obtain, from alternate sources, products and services similar to the Goods (including related systems and components). There will be no fee for this license.
- 8.3 Foreground Intellectual Property Rights. All Foreground Intellectual Property Rights are owned by Behr and not by Seller. Seller hereby confirms the same and assigns to Behr all of Seller’s right, title and interest in and to all Foreground Intellectual Property Rights that are developed or created in the course of performing any Purchase Order (separately or as part of any goods). To the extent that any Foreground Intellectual Property Rights are copyrightable works or works of authorship (including, but not limited to, computer programs, technical specifications, documentation and manuals), the parties agree that they are “works made for hire” as that term is used in connection with the U.S. Copyright Act. Supplier may only use the Foreground Intellectual Property Rights to produce and supply goods to Behr.
- 8.4 Seller warrants that all goods covered by each Order do not and will not infringe upon, violate or misappropriate the Intellectual Property Rights of any third party. Seller: (i) will defend, hold harmless and indemnify Behr and its customers against all claims, demands,

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losses, suits, damages, liability and expenses (including actual fees for attorneys, experts and consultants, settlement costs and judgments) arising out of any lawsuit, claim, demand or action for actual or alleged direct or contributory or vicarious infringement of, or inducement to infringe, any United States or foreign Intellectual Property Right by reason of the manufacture, use, sale offering for sale, importation or distribution of the goods (including such claims where Supplier has provided only part of the goods); and (ii) waives any claim against Behr and its customers, including any hold-harmless or similar claim, whether known or unknown, contingent or latent, in any way related to a claim asserted against Supplier or Behr for infringement of any Intellectual Property Rights, including claims arising out of compliance with specifications furnished by Behr.

- 8.5 Seller will assert or transfer to any third party a right to assert against Behr or its customers any Intellectual Property Rights that Seller has or may have that are applicable to the goods used or furnished under the Order.
- 8.6 Seller will not sell or otherwise dispose of any goods that incorporate any Intellectual Property Rights of Behr to any party other than Behr unless specifically authorized by Behr in advance and in writing.

9. EXCUSABLE EVENTS.

- 9.1 Neither Behr nor the Seller will be liable for a delay or failure to perform directly due to an Excusable Event. An Excusable Event is a cause or event beyond reasonable control of a party that is not attributable to its fault or negligence. Excusable Events include fire, flood, earthquake, and other extreme natural events, acts of God, riots, civil disorders, and war or acts of terrorism whether or not declared as such by a Government. In every case, the failure to perform must be beyond the reasonable control, and not attributable to the fault or negligence, of the party claiming the Excusable Event.
- 9.2 Excusable Events also include delays or nonperformance of a subcontractor, agent or supplier of a party only if and only to the extent that the cause or event would be an Excusable Event as defined in this Section.
- 9.3 Excusable Events do not include the failure to comply with applicable law or to take actions reasonably necessary to schedule performance in anticipation of any customs, export-import, or other Government Requirement of which public notice has been given.
- 9.4 The party claiming an Excusable Event will provide the other party with written notice of its occurrence and its termination as soon as practicable.
- 9.5 In the event of an Excusable Event, Behr, at its option, may acquire possession of all finished goods, work-in-process, and raw materials produced or acquired for the work under the Order.
- 9.6 Behr reserves the right to acquire the goods elsewhere for the duration of the Excusable Event and for a reasonable time afterwards to minimize production disruptions until the

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Seller's facilities are producing the goods in the quantities required by the Order or releases and to reduce accordingly any quantity of goods ordered under an outstanding release.

- 9.7 Behr may terminate an Order, in whole or in part, upon written notice to the Seller if an Excusable Event has occurred resulting in a failure or delay to perform that has lasted for more than three (3) consecutive months after the date of the written notice from the party claiming an Excusable Event is effective (as described in Section 29). In the event of a termination by Behr, Section 23 applies.

10. LABOR DISPUTES/BANKRUPTCY

- 10.1 Seller will notify Behr immediately of any actual or potential labor dispute delaying or threatening to delay timely performance of this order, and will include all relevant information to Behr. Seller will notify Behr in writing six (6) months in advance of the expiration of any current labor contract.
- 10.2 Prior to the expiration of any labor contract of Seller, Seller will establish, at its expense, a forty (40) working day supply of goods in a neutral warehouse site to be located in the United States at least (50) miles from Seller's manufacturing locations. Such supply of goods will be in place at least ten (10) working days prior to the expiration of any such contract.
- 10.3 Seller will notify Behr immediately of any foreseeable or potential bankruptcy in the sellers company or its affiliates.

11. GENERAL WARRANTY

- 11.1 Seller warrants that the goods or services will (i) comply with all specifications, drawings, descriptions or samples furnished and/or specified by Behr, (ii) be merchantable, and (iii) be free from defects in material and workmanship. Seller further warrants that all goods not designed by Behr will be fit and sufficient for the purpose intended. The warranty term will be coterminous with the warranty extended to Behr's customers by Behr. Seller's liability for a breach of the warranties given herein will be determined by Behr's analysis of a sample of parts against which claims are made that the parts are defective. Seller will participate in such analysis in accordance with Behr's procedures.
- 11.2 Seller further warrants that on delivery Behr will receive good title to the goods and services, free and clear of all liens and encumbrances and that all goods and services will be free from any actual or claimed patent, copyright or trademark infringement.
- 11.3 These warranties are in addition to any warranties implied by law or otherwise made by Seller and will survive acceptance and payment by Behr.

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12. RECALL OR REPAIR CAMPAIGN

In the event it is determined that a good or service of Seller purchased hereunder creates or contributes to a vehicle repair campaign or safety recall due to a vehicle defect, or non-compliance with applicable law, Seller shall pay the cost of repair or recall and correction, including labor and administrative costs, based upon Seller's proportionate responsibility for the defect or non-compliance. This section shall not limit Seller's responsibility under other provision hereof.

13. PRICE WARRANTY

13.1 Seller warrants that the prices for the goods or services sold to Behr hereunder are no less favorable than Seller currently extends to any other customer for the same or similar goods or services in similar quantities. If Seller reduces its prices for others for the same or similar goods or services during the term of this order, Seller will reduce the prices to Behr for such goods or services correspondingly. Seller warrants that prices shown on this order are complete, and that no additional charges of any type will be added without Behr's express written consent.

13.2 If Seller sells the part covered by this order to a third party for incorporation into an assembly which is to be sold to Behr, the price for such part will be no more than the price provided in this order, plus any additional costs actually incurred by Seller in providing the part to such third party.

13.3 Seller shall not quote directly to Behr's customer regarding the parts referenced in this Order.

14. PROPERTY AND SPECIAL TOOLING

14.1 Behr or its customer becomes the sole owner of all tools, equipment, material, drawings, manufacturing aids and replacement of the foregoing as soon as it is fabricated or acquired by Seller for use in the performance of this Order ("Special Tooling"). Behr or its customer takes title to the Special Tooling even if Seller has not yet been completely paid for the Special Tooling. Ownership of Behr or its customer will not relieve Behr or its customer of its obligation to pay for the Special Tooling nor affect any claim of Seller for payment under a production tool order.

14.2 Unless otherwise provided in this Order, property of every description, including, but not limited to, all tools, equipment, material, drawings, manufacturing aids and replacements of the foregoing furnished by Behr, either directly or indirectly, or Special Tooling, will be (i) the property of Behr or its customer, (ii) plainly marked or otherwise adequately identified by Seller as such, and (iii) safely stored separate and apart from Seller's property.

14.3 Seller will adhere to the Behr procedure in effect at the time for submitting requests for reimbursements for tooling costs. All requests for reimbursements for tooling costs are subject to review, approval and audit by Behr.

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- 14.4 Seller will retain and not use or rework tooling or property of Behr except for performance of work hereunder or as authorized in writing by Behr. Seller will keep such tooling or property in its possession and/or control in good condition, fully covered by insurance, free of liens and encumbrances and will replace such tooling or property when lost, damaged or destroyed.
- 14.5 All Behr tooling or property will be transferred as Behr may direct at any time. If Seller makes any unauthorized transfer of Special Tooling, Seller will reimburse Behr for any costs incurred by Behr in returning the tooling to Behr or moving the tooling as directed by Behr.

15. INSURANCE AND INDEMNIFICATION

- 15.1 Insurance. Seller will provide worker's compensation, comprehensive general liability inclusive product liability, automobile, public liability, and property damage insurance in amounts and coverage sufficient to cover all claims hereunder. Such policies will name Behr as an additional insured there under and shall contain endorsements stating that the policies are primary and not excess over or contributory with any other valid, applicable, and collectible insurance in force for Behr. Behr may require Seller to furnish evidence of the foregoing insurance, but failure to comply with these requirements will not relieve Seller of its liability and obligation under this clause.
- 15.2 Indemnification. Seller will defend, indemnify, and hold Behr harmless against all claims, liabilities, losses, damages, and settlement expenses in connection with any breach by Seller of these general conditions or for injury or death of any person and damage or loss of any property allegedly or actually resulting from or arising out of any act, omission or negligent work of Seller or its employees, agents, or subcontractors in connection with performing this Order, either on Behr's property or in the course of their employment.

16. CHANGES

- 16.1 Behr may, at any time, make changes in this Order. Modifications to the delivery item shall not lead to price increases unless Behr approves in writing before the modification is carried out.
- 16.2 All engineering changes, whether initiated by Behr or Seller, will be processed pursuant to Behr practices in effect at the time of the change using the "Product Change Request/Notification" system, or its successors. All Behr approved engineering changes to the part specification will be promptly implemented by Seller as directed by Behr. Price changes for Behr approved engineering changes are to be based solely on the design cost variance from the superseded design and must be substantiated with appropriate documentation satisfactory to Behr.
- 16.3 Seller certifies the location(s) from which it will ship the goods covered by the Order are as specified in the Order. If Seller at any time intends to change such location(s), Seller must

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notify Behr prior to the change so that the effect of such change can be evaluated, and negotiated as necessary, for its effect on transit time, packaging methods, and other significant impact on Behr. If Seller does not notify Behr of any increased transportation charges in advance of a change in shipping point(s), Seller will be responsible for such costs.

17. SERVICE PARTS

- 17.1 When the goods relate to parts for inclusion in components or products that Behr supplies to an OEM in the automotive industry or otherwise relate to a vehicle series production, Seller shall continue to manufacture, sell to and supply Behr with Behr's requirements for its service and warranty parts for fifteen (15) years following the end of production for the applicable vehicle or for such longer time as may be required by Behr after the end of series production. The price of goods for Behr's service and warranty requirements will be the latest series production price provided in the Order for the first five (5) years after the end of series production, and thereafter the latest series price plus customary additional charges.
- 17.2 If the parts are manufactured in a country other than the country in which the goods are delivered to Behr, Seller will mark the goods shipped for Behr's service requirements "Made in (country of origin)".
- 17.3 Seller shall not sell or otherwise supply goods (i.e. manufactured component parts) referenced in an Order from Behr directly to Behr's intended customer or another customer of Behr without Behr's prior written consent.

18. CLAIMS ADJUSTMENT

Behr may at any time and with reasonable notice deduct or set-off Seller's claims for money due or to become due from Behr against any claims that Behr has or may have arising out of this or any other transaction between Behr and Seller.

19. CUSTOMS

- 19.1 Seller will promptly notify Behr in writing of material or components used by Seller in filling this Order, which Seller purchases in a country other than the country in which the goods are delivered to Behr. Seller will furnish Behr with any documentation and information necessary to establish the country of origin or to comply with the applicable country's rules of origin requirements. Seller will promptly advise Behr of any material or components imported into the country of origin and any duty included in the purchase price of the goods.
- 19.2 The rights to and benefits of any duty drawback, including rights developed by substitution and rights which may be acquired from Seller's suppliers and export credits, to the extent transferable to Behr, are the property of Behr. Seller will provide all documentation and information and take any necessary steps to drawback any duty, taxes or fees paid to, and

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to receive export credits from, the government of the country of origin upon exportation of the goods from such country.

- 19.3 The responsibility for customs duty and customs brokers' fees will be determined in accordance with the transportation code stated in this Order. If Behr is responsible for customs duties, it will be responsible for normal duties only. Seller will be responsible for any special duties, including, but not limited to, marking, anti-dumping and countervailing duties, to the extent permitted under the law of the country of importation. Seller will provide to Behr or the appropriate governmental authority all documentation and information required by law or regulation or otherwise necessary to determine the proper minimum duty to be paid upon the importation of the goods into any country or to obtain any refunds or drawbacks of duties paid.
- 19.4 Seller will advise Behr if the importation or exportation of the goods requires an import or export license. Seller will assist Behr in obtaining any such license.
- 19.5 Seller will provide to Behr and the appropriate governmental agency the documentation necessary to determine the admissibility and the effect of entry of the goods into the country in which the goods are delivered to Behr. Seller warrants that the information regarding the import or export of the goods supplied to Behr is true and correct in every respect and that all sales covered by this Order will be made at no less than fair value under the anti-dumping laws of the countries to which the goods are exported.

20. USE OF BEHR'S NAME

Seller will not, without the prior written consent of Behr, in any manner publish the fact that Seller has furnished or contracted to furnish Behr goods and/or services, or use the name or trademarks of Behr, its products, or any of its associated companies in Seller's advertising or other publication. Seller will not place its, or any third party's trademark or other designation on the part if the part bears a Behr trademark or an identifying mark specified by Behr, or if the part is peculiar to Behr's design ("Marked Parts"). Seller will sell Marked Parts, and similar goods, only to Behr and will not sell Marked Parts or similar goods to third parties without Behr's prior written consent.

21. INFORMATION DISCLOSED

The specifications, drawings, designs, manufacturing data and other information transmitted to Seller by Behr in connection with the performance of this Order are the property of Behr and may be covered by one or more Behr patents, patent applications or copyrights. Seller will handle all of this information in such a manner to insure that it is not used for any purpose detrimental to the interests of Behr. Unless expressly provided in this Order or otherwise agreed to in writing by Behr, Seller's disclosure rights regarding products or services related to this Order, and information relating thereto shall be limited to any valid copyright thereon or patent Seller may hold covering the manufacture, use and sale of the products or services.

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Behr Dayton Thermal Products LLC
1600 Webster Street
Dayton, OH 45404
Tel: (937) 369-2900

Behr Mexico Servicios, S. de R.L. de C.V.
Blvd. Santa María No. 1440
Parque Industrial Santa María
Ramos Arizpe, Coahuila Mexico C.P. 25903



22. ASSIGNMENT

This Order will not be assigned or delegated, in whole or in part, without Behr's prior written consent, including, but not limited to, the subcontracting of work to be performed hereunder or the transfer of Special Tooling to third parties for the performance of work hereunder.

23. TERMINATION AT BEHR'S OPTION

Behr may terminate this Order at any time without cause in whole or in part by written notice, whereupon Seller will stop work on the date and to the extent specified in such notice and terminate all orders and subcontracts that relate to the terminated Order. Within thirty (30) days after receipt of termination notice, Seller will submit all claims resulting from such termination. Behr will have the right to verify such claims by auditing the relevant records, facilities, work or materials of Seller and/or its subcontractors. Behr will pay Seller not more than one (1) month of finished work accepted by Behr as well as not more than one (1) additional month for the documented cost to Seller of work in process and raw material allocable to the terminated work which is not in excess of any prior Behr authorization. Payment made under this Clause 23 will constitute Behr's only liability for termination hereunder with title and right of possession to all delivered goods and services vesting in Behr immediately upon Behr's tender of such payment. The provision of this Clause 23 will not apply to any cancellation by Behr for default by Seller or for any other cause recognized by law or specified by this Order.

24. TERMINATION FOR DEFAULT

If Seller (i) fails to deliver goods or perform services at the time specified herein, or (ii) fails to perform any other provision hereof and does not cure such failure within a period of ten (10) days after receipt of written notice from Behr specifying such failure, or (iii) becomes insolvent, makes an assignment in favor of creditors, or enters bankruptcy or dissolution procedures, or (iv) is merged into another company and/or is expropriated or nationalized, Behr may cancel the whole or any part of this Order without any liability, except for payment due for goods and services delivered and accepted. Upon such termination Behr will have the right, and on notice to Seller, to take title to and possession of all or any part of such work performed by Seller under this Order.

25. TAXES

The goods purchased hereunder are for resale or for an exempt purpose and are exempt from state and local sales or use taxes.

The following retail license numbers are applicable:

Michigan	ME-0232165
Ohio	97151977

Behr America, Inc.
2700 Daley Drive
Troy, MI 48083
Tel: (248) 743-3700

Behr Climate Systems, Inc.
2700 Daley Drive
Troy, MI 48083
Tel: (248) 743-3700

Behr Heat Transfer Systems, Inc.
4500 Leeds Avenue
Charleston, SC 29405
Tel: (843) 745-1233

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South Carolina

1807228-000

Texas

1-22-1859284-3

26. REMEDIES

The rights and remedies herein reserved to Behr are cumulative and in addition to any other or further rights and remedies available at law or in equity. No waiver of any breach of any provision of this Order will constitute a waiver of any other breach or a waiver of such provision.

27. REQUIRED COMPLIANCE

- 27.1 In providing goods or services hereunder, Seller will comply with any and all applicable Federal, State and Local laws, including foreign laws, and regulations promulgated there under. Seller will defend, indemnify and hold Behr harmless from and against any and all claims, losses, damages, costs and expenses resulting from or arising out of any failure of Seller or Seller's employees, agents and subcontractors to comply with any applicable governmental regulations and/or statutes.
- 27.2 To follow ISO 14001 requirements Suppliers/Contractors who provide or bring potentially hazardous materials on site shall provide Material safety data Sheets (MSDS) as applicable. All materials brought on site are to be labeled in accordance with Hazardous Communication Requirement.
- 27.3 MSDS shall be directed to the Location Environmental Management Representative designee for review and record retention.

28. SUPPLIERS WITH SPECIAL NEEDS

- 28.1 Behr actively seeks suppliers with special needs and encourages Seller to use suppliers with special needs.
- 28.2 A supplier with special needs is a business establishment, which meets one or more of the following conditions: (i) a small business, as defined in Title 15, Section 632 of the United States Code and related regulations; (ii) a small business owned and controlled by socially disadvantaged individuals (at least 51 percent of the business is owned and controlled by one or more socially and economically disadvantaged individuals and the management and daily business operations are controlled by one or more such individuals); and (iii) a business that is at least 51 percent owned by a woman or women who also control and operate the business. Seller will inform Behr annually the Percentage, based on dollar value, of the content provided by suppliers with special needs of the part purchased hereunder as well as the basis for claiming that such content was provided by a supplier with special needs.

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29. NOTICES

29.1 All notices under this Order shall be in writing and shall be transmitted in any of the following ways:

- (a) Mailing by certified mail, return receipt requested, with first-class postage prepaid;
- (b) mailing by recognized overnight service utilizing receipts, delivery charges prepaid;
- (c) fax where an electronic proof of transmission is generated at the time of sending; or
- (d) Behr's electronic system for communication with its suppliers.

29.2 Notice shall be effective (a) upon five (5) days after posting; (b) upon one (1) business day following deposit in the case of overnight delivery service; or (c) and (d) on the date of transmission.

30. GOVERNING LAW

30.1 This Order and all transaction between Behr and Seller will be governed by and construed in accordance with the laws of Michigan as if entirely performed therein. The 1980 United Nations Convention on Contracts for the International Sales of Goods, to the extent it may be deemed to apply, shall not pursuant to Article 6 thereof apply to this Order or any transaction pursuant hereto.

30.2 The Agreement shall be construed and interpreted in accordance with the laws of the State of Michigan without regard to its conflicts of law provisions. The parties hereby expressly consent to the sole and exclusive jurisdiction and venue, to the maximum extent permitted under the law, of the State courts located in Oakland County, Michigan and the Federal Courts for the Eastern District of Michigan, Southern Division, for all actions, suits, claims, counter-claims, third-party claims and legal proceedings brought by either party with respect to the enforcement of this Order.

31. ELECTRONIC COMMUNICATION

Behr will prescribe the methods of communication between Seller and Behr and Seller agrees to follow Behr's prescriptions.

32. BEHR

"Behr", as used in these Terms and Conditions, includes Behr America, Inc., Behr Dayton Thermal Products, LLC, Behr Climate Systems, Inc., Behr Heat Transfer Systems, Inc., and Behr Service America, L.P.

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33. CONTRACT CLAUSE FOR PURCHASE ORDERS, LEASES AND CONTRACTS OF \$2,500 OR MORE.

By acceptance of this order Seller certifies that it will comply with all applicable provisions of E.O. 11246 and E.O. 11375, as amended; the Vietnam Era Veterans Readjustment Assistance Act of 1974; E.O. 11701; the Rehabilitation Act of 1973; E.O. 11758; and the rules, regulations and other relevant orders of the Secretary of Labor.

The parties hereby incorporate by reference, as though fully set forth herein, the requirements of 41 CFR §§ 60-1.4(a)(7), 60-250.5, and 60.741.5, if applicable.

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