Toledo Tool & Die

STANDARD TERMS AND CONDITIONS OF PURCHASE

(Applicable to all Purchase Orders issued by Toledo Tool & Die Co. and its affiliates)

1. DEFINITIONS AND SCOPE

1.1 "Buyer" means Toledo Tool & Die Co., its subsidiaries, and affiliates issuing the Purchase Order.

1.2 "Seller" or "Supplier" means the party to whom the Purchase Order is addressed.

1.3 "Purchase Order" or "PO" means Buyer's purchase order, blanket order, release, or EDI/portal release, together with these Terms and Conditions and any other documents specifically referenced, all of which are incorporated herein by reference.

1.4 "Supplies" means goods, materials, parts, components, packaging (including corrugated and other expendable/returnable packaging), tooling, equipment, or products described in the PO, together with any related Services.

1.5 "Services" means labor, engineering, or other services described in the PO.

1.6 "Release" means a periodic shipping schedule, EDI/Kanban signal, or written instruction issued under a blanket PO specifying firm quantities and dates.

1.7 "Customer Flow-Down Requirements" means the quality, delivery, and commercial requirements Buyer's own customers impose on Buyer (for automotive programs, this typically includes IATF 16949, customer-specific requirements, and PPAP), which Buyer flows down to Seller under Section 11.

1.8 "Terms and Conditions" means these Standard Terms and Conditions of Purchase.

2. OFFER, ACCEPTANCE, AND ENTIRE AGREEMENT

2.1 Exclusive Offer. The PO is Buyer's offer, on these Terms and Conditions alone, to purchase the Supplies described. It is the complete and exclusive statement of the offer, notwithstanding any different terms in Seller's quotation, acknowledgment, invoice, or other document, all of which are expressly rejected.

2.2 Formation. A contract is formed when Seller accepts the PO by shipment, performance, commencement of work, written acknowledgment, or other conduct recognizing the contract, or — if earlier — five (5) business days after Buyer delivers the PO to Seller if Seller does not object in writing within that period.

2.3 No Additional or Different Terms. No term proposed by Seller that modifies, supplements, or conflicts with any PO or these Terms and Conditions is binding on Buyer, regardless of Buyer's acceptance of or payment for any shipment, unless accepted in a writing physically signed by an authorized representative of Buyer's purchasing department (a "Signed Writing").

2.4 Battle of Forms Not Applicable; Order of Precedence. The battle of the forms in Section 2-207 of the Uniform Commercial Code shall not apply to any document, confirmation, acceptance form, invoice, or other writing from Seller relating to any transaction pursuant to a PO. Rather, the applicable PO and these Terms and Conditions shall exclusively control the relationship of and terms and conditions of contract between Buyer and Seller. In the event of any conflict or inconsistency between a PO, these Terms and Conditions, or any document, confirmation, acceptance form, invoice, or other writing from Seller, the PO and these Terms and Conditions shall govern and control. In the event of any such conflict or inconsistency, such conflict or inconsistency shall be resolved by applying and enforcing the terms and conditions of the following documents in the following order of priority and precedence: (a) a signed supply agreement, if any; (b) the applicable PO or Release; (c) these Terms and Conditions; (d) Buyer's drawings and specifications; and then (e) Customer Flow-Down Requirements, except that flow-down requirements relating to quality or regulatory compliance always control over any other conflicting commercial term.

2.5 Modification. Except as this Section otherwise provides, a PO or these Terms and Conditions may be modified only by a Purchase Order amendment or a Signed Writing. No course of dealing, trade usage, or oral statement shall modify a PO or these Terms and Conditions.

2.6 No Response from Seller. If Seller does not confirm a PO within ten (10) business days of receipt, Buyer may cancel it at no cost or penalty, in addition to the deemed-acceptance mechanism in Section 2.2.

3. QUANTITY AND DURATION

3.1 Requirements Basis. Unless the PO states a fixed quantity, the quantity applicable to each PO is 100% of Buyer's requirements for the Supplies. Seller shall supply the quantity specified in each Release; Releases are binding on Buyer only for the firm quantity stated, and any Projections included are non-binding estimates (see Section 4).

3.2 Duration. Unless stated otherwise on the PO, a PO tied to a specific customer program (e.g., an OEM vehicle program) runs for the production life of that program, including extensions and renewals, plus applicable service and replacement parts requirements (see Section 6). Buyer may extend the PO for the life of any successor or derivative program by written notice. Seller acknowledges and assumes the risk that the program's production life may be shortened or extended by the applicable customer.

3.3 Standalone (Non-Program) Orders. If the Supplies are not tied to a specific customer program, the PO is binding for one (1) year from transmission and automatically renews for successive one-year terms unless Seller gives Buyer written notice of non-renewal at least 180 days before the end of the current term. Buyer may extend the term as reasonably necessary to secure and transition to an alternate source.

3.4 Release Windows. Unless the PO states otherwise: (a) quantities and dates within the first four (4) weeks of an issued Release are a firm, binding order; (b) quantities and dates in weeks five through eight are authorization to procure raw materials only; and (c) anything beyond eight weeks is a non-binding forecast. Buyer is not obligated to pay for material procured, or Supplies fabricated, beyond what a Release actually authorizes.

3.5 Transition Cooperation. Upon expiration or termination of a PO, Seller shall cooperate fully and provide all reasonably requested support and information to facilitate Buyer's sourcing of the Supplies to a replacement supplier.

3.6 Option Consideration. If the PO does not state a fixed quantity (e.g., it is issued "blanket," "as released," "as needed or required", or "subject to Buyer's production releases"), Seller grants Buyer, for ten U.S. dollars ($10) paid upon the PO's termination or non-renewal, an irrevocable option to purchase the Supplies in the quantities and on the dates stated in Releases issued under Section 3.4, with Buyer obligated to purchase no less than one unit and no more than 100% of its requirements.

4. VOLUME AND DURATION PROJECTIONS

4.1 Forecasts, projections, or estimates of future volume or program duration ("Projections") that Buyer provides are not binding and do not obligate Buyer beyond the firm quantities in an issued Release. Buyer makes no representation or warranty as to the accuracy of any Projection, and Seller accepts the risk that actual volume or duration may be less than or greater than projected.

5. PRICING; NO UNILATERAL PRICE INCREASES

5.1 Fixed Pricing. Prices stated in the PO are firm and fixed for the quantities and duration specified, and are not subject to escalation or surcharge of any kind — including for changes in raw material, labor, energy, freight, tariffs/duties, currency exchange, or overhead — except as expressly agreed in a Purchase Order amendment or Signed Writing.

5.2 No Effect of Unilateral Notice. A general notice, form letter, or blanket announcement purporting to increase prices or add a surcharge has no binding effect on Buyer, whether or not Buyer acknowledges receipt. Buyer's silence, continued Releases, or continued acceptance of deliveries after such a notice is not, and shall not be construed as, acceptance of the proposed increase.

5.3 Process to Request a Price Change. Any price-change request shall be submitted in writing to Buyer's Purchasing/Program Management representative at least ninety (90) calendar days before the proposed effective date, which writing shall include: (a) the specific cost driver(s) for such price change; (b) documented, independently verifiable substantiation of such cost driver(s); (c) the impact of such price change by part number; and (d) confirmation of any offsetting cost reductions since the last price was set. No change is effective unless documented in a Purchase Order amendment or Signed Writing.

5.4 Buyer's Right to Resource. Buyer may reject any price-increase request, continue purchasing at the existing price, and/or competitively resource the affected parts without penalty and without breaching any requirements commitment to Seller.

5.5 No Hidden Charges; Most Favored Pricing. Seller warrants the PO price is complete; no additional charge of any type may be added without Buyer's express written consent. Seller represents its prices to Buyer are no less favorable than to any customer of a similar class and volume, and Buyer receives the benefit of all discounts and favorable payment terms Seller customarily offers. If Seller lowers its price for the same or similar goods to any other customer during the PO term, Seller shall immediately extend the same price to Buyer.

5.6 Invoicing at PO Price; Packaging. Seller shall invoice at the PO price in effect at time of shipment; Buyer may deduct or charge back any excess without default. Unless separately itemized, the price includes all packaging (including corrugated/expendable packaging) adequate to prevent transit damage; packaging cost increases are subject to Sections 5.1–5.4 like any other cost driver, and not automatically passed through.

5.7 No Price Effect from Schedule Changes. Buyer's change in the rate of scheduled shipments, or a temporary suspension of Releases, does not entitle Seller to any price modification.

5.8 Pass-Through of Cost Decreases. If Seller's cost decreases from the level in effect on the PO date — including reductions in transportation charges, customs duties, tariffs, or applicable taxes — Seller shall pass the savings to Buyer as a corresponding price reduction.

5.9 Productivity Participation. Seller shall participate in good faith in Buyer's cost-reduction and productivity initiatives and shall pursue its own productivity and cost-savings programs to reduce its costs of producing the Supplies.

5A. COMPETITIVENESS; RIGHT TO MATCH

5A.1 Seller shall keep the Supplies competitive with substantially similar goods available to Buyer from other sources, in terms of price, quality, and technology. If Buyer identifies a bona fide competitive offer for substantially similar goods, Buyer shall give Seller written notice and a reasonable period (not less than thirty (30) days) to match the price and terms of that offer. If Seller does not restore competitiveness and match the terms of such competitive offer within that period, Buyer may, without further liability, cancel the affected portion of the PO and resource it, in addition to any other remedy available for a failure to meet Section 5's price warranties.

6. CUSTOMER REQUIREMENTS; SERVICE AND REPLACEMENT PARTS

6.1 Flow-Down. Supplies furnished to or for the benefit of any Buyer customer shall comply with all applicable requirements, specifications, and terms set forth in that customer's applicable purchase documents.

6.2 Directed Buy — No Withholding of Supply. If Buyer's customer directs, recommends, or requires that Buyer source the Supplies from Seller (a "Directed Buy"), Seller shall not cease or withhold timely supply for any reason, including an unresolved commercial dispute with Buyer's customer; any such dispute shall be resolved directly between Seller and Buyer's customer without interrupting supply to Buyer.

6.3 Service Parts Pricing. Upon Release, Seller shall sell Buyer all Supplies needed to fulfill Buyer's and its customers' current-model service and replacement parts requirements at then-current production prices, plus any actual net cost differential for required unique packaging.

6.4 Aftermarket Supply (15-Year Tail). Where the Supplies are incorporated into a vehicle, for fifteen (15) years after termination of current-model production Seller shall sell Buyer quantities sufficient to fulfill 100% of Buyer's and its customers' service and replacement parts requirements for past model years. Unless otherwise agreed in writing, the price for the first five (5) of those years is the last production price plus actual net cost differential for unique packaging, shipping, and handling; for the remaining ten years, price increases only by mutual written agreement. If a price dispute arises under this Section, Seller shall continue to supply at the last agreed price pending resolution.

7. DELIVERY; RISK OF LOSS; LINE-DOWN

7.1 Time is of the Essence. Delivery quantities and dates specified in the PO or a Release are firm; time is of the essence. Buyer is not obligated to pay for Supplies delivered in excess of firm Release quantities.

7.2 Risk of Loss. Unless the PO states otherwise, Supplies are delivered DDP – Buyer's plant (Incoterms, current edition). Seller bears all transportation charges and risk of loss until the Supplies are delivered to and accepted at Buyer's designated facility, and Buyer owes no insurance, storage, or detention charges. Seller bears responsibility for proper packing, marking, and loading, and shall reimburse Buyer for damage caused by improper packing, marking, or loading.

7.3 Line-Down Costs. If Seller's late, short, or non-conforming delivery of Supplies causes or threatens a shutdown or slowdown of Buyer's or Buyer's customer's production line, Seller is liable for all resulting costs (expedited/premium freight, overtime, sorting, rework, and any customer charge-back to Buyer), in addition to any other rights or remedies available to Buyer at law or in equity.

7.4 Premium Freight. Premium shipping costs necessary to meet a delivery schedule are Seller's responsibility unless the delay is solely Buyer's fault and Seller notifies Buyer of the claim within ten (10) days of the event.

8. QUALITY; CAPACITY; PPAP

8.1 Quality System. Seller shall maintain a quality system compliant with ISO 9001 at minimum. For Supplies used in automotive applications, Seller shall instead be compliant with IATF 16949 and applicable AIAG core tools (APQP, PPAP, FMEA, MSA, SPC) and Customer Flow-Down Requirements.

8.2 PPAP. Seller shall obtain Buyer's written PPAP approval before production shipment and before any change in design, process, location, sub-supplier, or materials, consistent with AIAG significant-change triggers.

8.3 Capacity. Seller warrants its equipment and plant capacity are adequate to meet Buyer's and its customer's needs, accounting for scrap variation, downtime, and maintenance, and shall demonstrate via run-at-rate the ability to produce at least one day's quantity of conforming Supplies within 24 hours to satisfy Buyer's capacity planning volume ("CPV"). Buyer owes no incremental cost to Seller so long as Release quantities do not exceed Seller's CPV. The CPV is not itself a volume commitment by Buyer.

8.4 Sub-Tier Responsibility. Seller is responsible for all sub-tier suppliers and shall maintain adequate development, validation, launch, and ongoing supervision to ensure conformance.

9. INSPECTION; REJECTED SUPPLIES

9.1 All Supplies are subject to inspection and test by Buyer and/or Buyer's customer notwithstanding prior payment or inspection; payment does not constitute acceptance. Buyer may reject and return non-conforming Supplies at Seller's expense, require sort/rework at Seller's expense, or perform sort/rework itself (or through a third party) and charge Seller the cost plus a reasonable administrative fee. Rejection does not relieve Seller of its delivery obligations.

9.2 No Obligation to Inspect. Buyer may choose not to perform incoming inspection on any Supplies without prejudice to its rights under this Section or elsewhere in these Terms and Conditions, and Seller waives any right to require Buyer to conduct incoming inspection as a condition of a later rejection or warranty claim.

9.3 Immediate Inspection Right. In addition to Buyer's routine inspection rights, if a quality, production, or delivery issue has caused or threatens to cause Seller to miss a required delivery, Buyer may inspect Seller's relevant facility and records on short notice, without waiting for a scheduled audit window.

10. WARRANTY

10.1 Warranty Period. The warranty period for Supplies provided under any PO begins on first use or acceptance by Buyer and continues until the later of: 36 months; the period stated in Buyer's RFQ; the period required by law; or, for Supplies used in new vehicles, the new-vehicle warranty period in each country of sale.

10.2 Remedial Action / Recall. If Buyer or its customer undertakes a recall or corrective service action (a "Remedial Action") involving the Supplies, the warranty period continues for the duration required by the customer or applicable government authority, and Seller remains liable for related costs even after the stated Warranty Period expires where the Remedial Action is based on a reasonable determination (including statistical sampling) that the Supplies fail to conform.

10.3 Warranty Survives Significant Defects. Notwithstanding expiration of the Warranty Period, Seller's warranty continues for defects discovered later that are of a significant nature, affect a significant portion of the Supplies, or pose a threat to property, health, or safety.

10.4 Scope of Warranty. Seller warrants the Supplies: are new, free from defects in design, material, and workmanship; conform strictly to all applicable specifications, drawings, and samples; are free of liens; are merchantable and fit for Buyer's known intended purpose; are properly packaged and labeled; and comply with ISO 14001 and, for Supplies used in automotive applications, QS 9000/IATF 16949, PPAP, APQP, applicable end-of-life vehicle ("ELV") requirements, and, for wood/corrugated packaging materials, applicable international wood-packaging standards including USDA regulations on wood packaging material imports.

10.5 Buyer's Remedies. Upon any breach of warranty under this Section 10, Buyer may, at its option: retain the Supplies with a price adjustment; require repair or replacement at Seller's expense (including shipping and installation); correct or replace and recover the cost from Seller (including recall costs); or reject the Supplies, in addition to any other rights or remedies available to Buyer under law (including under the UCC) or in equity.

10.6 Post-Warranty Support. After the Warranty Period expires, Seller shall continue to repair, replace, and support the Supplies with the same responsiveness required during the Warranty Period, at the prices and terms Seller customarily offers other customers for non-warranty support.

10.7 Non-Circumvention. While a PO is in effect, Seller shall not supply the same or substantially similar Supplies directly to Buyer's customer for the program covered by that PO without Buyer's prior written consent.

11. CUSTOMER FLOW-DOWN; GAP-FILLING

11.1 The parties intend that Buyer's customer's applicable terms, conditions, and requirements flow through Buyer to Seller to the extent they do not conflict with the applicable PO or these Terms and Conditions. If any requirement imposed on Seller is found unenforceable, or a gap is otherwise created in the terms through operation of law or conflict, the parties agree the corresponding requirement of Buyer's customer applies to and binds Seller for Buyer's benefit. Seller shall indemnify Buyer against claims from Buyer's customer relating to Seller-supplied Supplies.

12. INDEMNIFICATION

12.1 Scope. Seller shall indemnify, defend, and hold harmless Buyer, its affiliates, customers, and their officers, directors, employees, agents, and representatives ("Indemnitees") from all claims, actions, liabilities, costs, losses, fines, and expenses (including reasonable attorneys' fees) (collectively, “Liabilities”) arising from: (a) actual or alleged defects in the Supplies; (b) breach of these Terms and Conditions; (c) infringement of third-party IP by the Supplies (except to the extent caused solely by Buyer-furnished designs); or (d) Seller's negligence or willful misconduct. This does not apply to any Liabilities arising solely from Buyer's own negligence.

12.2 Defense and Settlement. Buyer shall notify Seller of any actual or potential claim for indemnification hereunder within a reasonable time. At Buyer's option, Seller shall defend against such claim, at its own expense, through counsel Buyer approves. Seller shall obtain Buyer's authorization before any settlement that could materially and adversely affect Buyer, including any term admitting a defect. Buyer may instead elect to control its own defense, with Seller reimbursing Buyer's costs to do so monthly.

12.3 Consequential and Line-Down Damages. Seller's liability under Sections 7, 9, 10, and 12 expressly includes consequential, incidental, and special damages, including recall costs, customer charge-backs, and production line-down costs, notwithstanding any conflicting limitation Seller proposes in its own documents (rejected under Section 2.3).

12.4 Buyer's Right to Defend Customer Claims. Buyer may itself defend any claim its own customer brings alleging the Supplies are defective or non-conforming. This mitigates damages and is in both parties' interest. Seller may not argue that Buyer's defense of such a claim limits or waives Buyer's right to indemnity from Seller, or Buyer's right to separately assert that Seller breached its warranties or other obligations under these Terms and Conditions.

13. INSURANCE

13.1 Seller shall procure and maintain, at its own expense, commercial general liability, automobile liability, umbrella/excess liability, workers' compensation, and product liability insurance in amounts and forms Buyer reasonably requires. Buyer shall be named additional insured on such liability policies on a primary and non-contributory basis, with a waiver of subrogation in Buyer's favor. If Seller has control, custody, or care of Buyer's property, Seller shall insure it at replacement cost and name Buyer as loss payee. Seller shall furnish certificates of insurance upon request and is responsible for ensuring its subcontractors meet the same requirements.

13.2 Recall / Field Action Insurance. Where the Supplies are used in vehicle production, Seller shall separately maintain automotive product recall insurance covering the costs of notification, inspection, sorting, storage, transportation, disassembly/reassembly, and disposal in the event of a recall or other field action, at limits Buyer reasonably requires. Buyer shall be named additional insured on such insurance policies on a primary and non-contributory basis, with a waiver of subrogation in Buyer's favor.

14. BUYER-FURNISHED TOOLING AND PROPERTY

14.1 Ownership. Tooling, dies, fixtures, gauges, molds, drawings, and other items Buyer furnishes to or is reimbursed for by Seller ("Buyer Property") are and remain Buyer's exclusive property, wherever located, and shall be identified as such, used solely to produce Supplies for Buyer, kept free of liens, and not commingled with Seller's property or relocated without Buyer's written consent.

14.2 Maintenance and Insurance. Seller shall maintain Buyer Property in good working condition at its own expense (ordinary wear excepted), insure it for full replacement value naming Buyer as additional insured, and permit Buyer to enter Seller's premises during normal business hours to inspect it and related records.

14.3 Lien Waiver. Seller waives and releases, and shall not assert, any statutory, equitable, molder's, tool, builder's, or similar lien on Buyer Property arising from work performed on it.

14.4 Return. Upon request or termination, Seller shall deliver Buyer Property to Buyer, freight prepaid and properly packed, in the condition needed to produce production-quality Supplies, ordinary wear excepted.

14.5 Retention of Title. Neither Seller nor any third party (including a lender to Seller) may be granted or claim any title, security interest, or other right in Buyer Property greater than what this Section provides.

15. INTELLECTUAL PROPERTY; CONFIDENTIALITY

15.1 Ownership of New IP. Supplies, designs, and works created in performing a PO — and all associated IP — are Buyer's sole property and works of authorship shall be deemed to be and are "works made for hire." Seller assigns all right, title, and interest to Buyer and shall assist, at Buyer's expense, in perfecting that ownership.

15.2 License-Back. To the extent Supplies incorporate Seller's pre-existing IP, Seller grants Buyer an irrevocable, non-exclusive, royalty-free, worldwide, sublicensable license to make, have made, use, sell, and import the Supplies, effective from first delivery.

15.3 Non-Infringement. Seller warrants the Supplies do not infringe any third-party patent, trademark, copyright, or trade secret, and shall indemnify Buyer against infringement claims (including those arising from compliance with Buyer's specifications) under Section 12.

15.4 Confidentiality. Seller shall hold Buyer's non-public technical and business information (including PO pricing and terms) in confidence and use it only to perform a PO or these Terms and Conditions. Information Seller provides to Buyer is furnished on a non-confidential basis unless the parties separately agree otherwise in writing.

15.5 Scrap Control. Seller shall not sell or dispose of any completed, partially completed, or defective Supplies as scrap or otherwise without first defacing or rendering them unsuitable for use, to prevent gray-market leakage of Buyer-specification parts.

15.6 No Reuse of Buyer's IP for Third Parties. Seller shall not manufacture or offer to manufacture, for itself, Buyer's customer, or any other third party, any goods or services based in whole or part on Buyer's IP or the drawings/specifications for the Supplies, without Buyer's prior written consent. This does not restrict Seller's "off-the-shelf" or catalog goods that Seller developed and routinely sold before, and independently of, this PO.

16. ENGINEERING AND PROCESS CHANGES

16.1 Buyer-Directed Changes. Buyer may direct changes to design, specifications, packaging, shipping, delivery date/place, or scope of work for the Supplies. Seller shall promptly implement directed changes. Any resulting adjustment to price or schedule is effective only if Seller submits a written, substantiated claim within ten (10) days of Buyer's change notice and Buyer, after auditing the claim, agrees to an adjustment. Seller shall continue performing as changed pending resolution.

16.2 No Unilateral Change by Seller. Without Buyer's prior written approval, Seller shall not change: its sub-suppliers of materials or services; its (or a sub-supplier's) manufacturing location; price; the nature, type, or quality of materials or components used; fit, form, function, or appearance of the Supplies; or its production method or process/software. An unapproved change is a breach of the applicable PO and these Terms and Conditions.

17. PAYMENT TERMS; TAXES

17.1 Terms. Payment terms are as set in Buyer's payables system, or if Seller is not enrolled, net 60 days at minimum. A payment date falling on a non-business day shifts to the next business day.

17.2 Pay-When-Paid for Tooling and Directed Business. Seller has no right to payment for tooling before Buyer is paid by its own customer for that tooling, and a Seller acting as a Buyer-directed supplier has no right to payment until Buyer is fully paid by its customer for the related Supplies.

17.3 Shipping Notices; Nonconforming Invoices. Seller shall provide advance shipping notices and comply with Buyer's invoicing requirements, and any noncompliance may delay payment without liability to Buyer. Every invoice shall reference the applicable PO/Release number, Buyer's and Seller's applicable part numbers, and the applicable bill of lading. No invoice may state any term inconsistent with these Terms and Conditions. Payment of a nonconforming invoice is not acceptance of its terms.

17.4 Taxes. Unless prohibited by law, Seller shall pay all federal, state, local, and transportation taxes, including customs duties and tariffs, imposed on the Supplies or their sale or delivery. PO prices are deemed to include all such taxes.

18. SETOFF AND RECOUPMENT

18.1 In addition to any other rights or remedies available to Buyer at law or in equity, Buyer may set off or recoup against amounts owed to Seller (or its subsidiaries/affiliates) any amount Seller or its subsidiaries/affiliates owe Buyer, however and whenever arising, including Buyer's enforcement costs and attorneys' fees. If Seller's obligation to Buyer is disputed, contingent, or unliquidated, Buyer may defer payment of the corresponding amount until resolved. In a Seller insolvency, Buyer may also withhold amounts Seller owes to indemnify Buyer, whether arising before or after a bankruptcy filing.

19. SELLER FINANCIAL CONDITION

19.1 Representations. Seller represents, as of each PO and as repeated at each Release and delivery, that it is not insolvent, is current on its debts and loan covenants, and that financial information it provides Buyer is true, accurate, and prepared under GAAP.

19.2 Audit and Monitoring Rights. Buyer may review Seller's books and records concerning PO compliance and overall financial condition. If Seller experiences delivery or operational problems, Buyer may (but need not) place a representative on-site to observe operations, at Seller's expense if such accommodation is necessary for Seller to meet its obligations.

19.3 Notice of Insolvency. Seller shall give Buyer prompt written notice of any impending or threatened insolvency.

19.4 Annual Financial Review. Buyer may review Seller's audited financial statements before issuing a PO and annually thereafter while the PO remains in effect, and — if supply is interrupted or threatened, or Buyer otherwise reasonably questions Seller's ability to perform — may also review Seller's current financial statements and lender loan-covenant documents. Buyer shall keep any non-public information obtained under this Section confidential and use it only in connection with the parties' relationship.

20. TERMINATION

20.1 Termination for Cause. Buyer may terminate a PO immediately on written notice if Seller: breaches any term or warranty thereunder or under these Terms and Conditions; fails to timely deliver conforming Supplies thereunder; fails to give adequate assurance of its ability to perform thereunder when reasonably requested; or experiences a Seller Insolvency (voluntary or involuntary bankruptcy filing, insolvency, appointment of a receiver, or assignment for creditors).

20.2 Termination for Change of Control. Buyer may terminate without liability (except as provided in Section 20.4) if Seller undergoes a change of control (i.e., a sale/exchange of a substantial or necessary portion of the assets used to produce the Supplies or a transfer of more than 20% of Seller's equity or voting control). Seller shall promptly notify Buyer in writing upon entering an agreement effecting such a change. Buyer shall give at least thirty (30) days' notice of a termination under this Section.

20.3 Termination for Convenience. Buyer may terminate all or part of a PO at any time, for any reason, on written notice.

20.4 Termination Payment. Upon termination for convenience or change of control, Buyer shall pay, without duplication: the PO price for conforming; completed Supplies not yet paid for; Seller's reasonable actual cost of usable work-in-process and raw materials transferred to Buyer; and Seller's reasonable actual cost of settling claims from subcontractors Buyer approved in writing. Buyer is not liable for lost profits, unabsorbed overhead, interest on claims, facility rearrangement, unamortized depreciation, or other indirect costs of transitioning production, and Buyer's total termination liability shall never exceed what it would have owed absent termination. Seller shall submit its termination claim with supporting data within thirty (30) days of the termination date. Buyer may conduct an audit regarding such termination claim pursuant to Section 28 before or after payment.

20.5 No Termination Right by Seller. Because Buyer's own commitments to its customers are made in reliance on Seller's performance, Seller has no right to terminate a PO.

20.6 Immediate Termination for Code of Conduct Violation. Buyer may terminate a PO unilaterally and without notice if Seller violates Buyer's Supplier Code of Conduct (Section 26.1).

21. TRANSITION OF SUPPLY

21.1 On expiration or termination of a PO for any reason, Seller shall cooperate fully to prevent any interruption in supply, including: providing all notices needed for Buyer to resource the business; maintaining a sufficient bank of Supplies during transition, stored and released as Buyer directs; returning all Buyer Property in good condition (ordinary wear excepted) and cooperating in a mutually scheduled tooling/property exit; and, at Buyer's option, assigning applicable raw-material supply contracts to Buyer or selling perishable tooling/inventory to Buyer at Seller's cost. An "alternative supplier" for a PO shall expressly include a Buyer-owned facility.

21.2 Default Transition Bank. Unless Buyer specifies otherwise in writing, a six-week inventory bank — calculated from Seller's average weekly Releases over the six weeks preceding termination or expiration of a PO (excluding temporary shutdowns or reduced schedules) — is deemed sufficient to satisfy Section 21.1's transition-supply obligation.

22. FORCE MAJEURE

22.1 Excused Delay. Performance (other than payment) is excused to the extent delay results from an act of God or other extraordinary, unforeseeable event beyond the nonperforming party's control and without its fault, including, without limitation, fire, flood, windstorm, explosion, riot, natural disaster, war, or sabotage. The nonperforming party shall give written notice, with the anticipated duration, within two (2) business days of the event.

22.2 Buyer's Rights During Seller Delay. During any Seller delay, Buyer may, without liability, purchase Supplies from other sources and reduce Seller's schedule accordingly, or direct Seller to source the Supplies from alternate locations at the PO price. On request, Seller shall provide, within five (5) business days, adequate assurance that the delay shall not exceed the period Buyer specifies; if it does, or adequate assurance is not given, Buyer may terminate the applicable PO without liability, and Seller shall reimburse Buyer for any price increase Buyer shall pay a substitute supplier.

22.3 Not Excused. Seller expressly assumes, and force majeure/impracticability/frustration of purpose does not excuse: changes in the cost or availability of materials, components, transportation, or services; supplier actions or contract disputes; failures of Seller's internal business systems; Seller's unprofitability or financial losses; or a labor strike or other labor disruption affecting Seller or any of its subcontractors or suppliers.

22.4 Buyer's Own Force Majeure. Buyer may terminate a PO before delivery or performance, without liability, if Buyer's business is interrupted for reasons beyond its reasonable control, on prompt notice to Seller.

22.5 Supply Allocation Preference. If Seller shall allocate limited supply among its customers for any reason, including a force majeure event, Seller shall give Buyer preference for all Supplies covered by an outstanding PO.

22.6 Aggregate Delay Cap. An excusable delay under Section 22.1 does not itself default Seller, but if excusable delays affecting a PO exceed thirty (30) days in the aggregate, Buyer may cancel the remaining balance of that PO without further liability, in addition to its rights under Section 22.2.

22.7 Buyer's Right to Delay Acceptance. Buyer may delay accepting delivery or performance during an excusable delay; Seller shall hold the affected Supplies, or delay performance, as Buyer directs, until the cause is resolved.

23. LABOR DISPUTES

23.1 Seller shall notify Buyer in writing of any actual, threatened, or potential labor dispute that could delay performance under any PO, and shall notify Buyer at least six (6) months before expiration of any labor contract covering or affecting Supplies production. Seller shall build and deliver a safety-stock supply of finished Supplies at least thirty (30) days before any such PO’s expiration, in quantities and storage locations Buyer designates.

24. REMEDIES FOR BREACH BY SELLER

24.1 Cumulative Remedies; Damages. Buyer's remedies are cumulative with all remedies at law or equity. For nonconforming Supplies, Seller shall reimburse Buyer's costs of inspecting, sorting, testing, repairing, or replacing them, production-interruption costs, Remedial Action costs, and costs from related personal injury or property damage claims.

24.2 Resourcing Without Notice. Because a production shutdown at Buyer's or Buyer's customer's plant causes reputational and relationship damage that money cannot adequately remedy, Buyer may, upon an actual or threatened breach by Seller, resource or dual-source the affected Supplies to another supplier without prior notice to Seller.

24.3 Specific Performance. Seller acknowledges money damages may not adequately remedy an actual or threatened breach affecting delivery, and agrees Buyer is entitled to seek specific performance and injunctive relief without proving actual damages or posting bond, in addition to its other remedies. Seller stipulates in advance to entry of an injunction requiring delivery of conforming Supplies on the PO's schedule, provided Buyer pays for Supplies delivered during the injunction period at the rate and on the terms the issuing court sets pending resolution of the underlying dispute.

24A. LIMITATION ON SELLER'S CLAIMS

24A.1 Notice and Cure. Before asserting any claim that Buyer has breached a PO or these Terms and Conditions, Seller shall give Buyer prompt written notice identifying the breach, the provision at issue, and how it can be timely cured, and give Buyer a reasonable opportunity to respond and cure. A claim asserted without first satisfying this Section is waived.

24A.2 Deadline for Scope/Cost Claims. Any claim by Seller that Buyer changed the scope of work or otherwise increased Seller's cost, and any related request for a price or schedule adjustment, is waived unless presented in writing within ten (10) days of when Seller became aware of the change (or, if earlier, within thirty (30) days of when Seller should have become aware through reasonable diligence).

24A.3 Deadline for Billing-Error Claims. Any claim by Seller that a billing error caused Buyer to underpay Seller is waived unless presented within thirty (30) days of when Seller discovered, or through reasonable diligence should have discovered, the error, and in no event may Seller recover for an underpayment occurring more than one year before the claim is presented.

24A.4 General Limitations Period. Any action Seller brings against Buyer for breach of a PO or these Terms and Conditions or any other claim relating to it shall be commenced within one (1) year of the event giving rise to the claim, regardless of when Seller learns of it.

25. LIMITATION OF BUYER'S LIABILITY

25.1 In no event is Buyer liable to Seller for anticipated or lost profits or for indirect, special, incidental, or consequential damages. Except as Section 20.4 (Termination Payment) provides, Seller's damages for any claim arising from or relating to a PO or these Terms and Conditions are limited to the lesser of (a) the value of Supplies Buyer purchased from Seller in the three (3) months immediately preceding the claim, or (b) $100,000.

26. COMPLIANCE WITH LAWS

26.1 General. Seller shall comply with all applicable laws regulating the manufacture, labeling, transportation, importation, and certification of the Supplies, including environmental, data-privacy, wage-and-hour, forced-labor, and workplace-safety laws, including, without limitation, the Fair Labor Standards Act, the Occupational Safety & Health Act, the Toxic Substances Control Act, and the Uyghur Forced Labor Prevention Act, and represents that neither it nor its subcontractors use child, slave, prisoner, or other forced or involuntary labor, or engage in corrupt business practices.

26.2 Certifications and Documentation. Seller shall furnish applicable Safety Data Sheets before shipment and, on request, certify in writing its compliance with this Section. Seller shall comply with C-TPAT recommendations for Supplies imported into the United States and certify its compliance on request.

26.3 Anti-Terrorism Import Compliance (C-TPAT). For Supplies imported into the United States, Seller shall accept, implement, and comply with applicable U.S. Customs Trade Partnership Against Terrorism recommendations.

26.4 Government Contract Flow-Down. If a PO supports a U.S. government prime contract or subcontract, applicable Federal Acquisition Regulation clauses and agency supplements are deemed incorporated therein, and Seller shall comply and cause its sub-suppliers to comply.

26.5 Invoice as Compliance Assurance. Each invoice Seller submits constitutes Seller's written assurance that it has complied with this Section as of the invoice date.

26.6 Counterfeit and Fraudulent Parts. Seller shall maintain processes to prevent, detect, and report the delivery of counterfeit, fraudulent, or suspect Supplies, and shall promptly notify Buyer if it becomes aware that any Supplies delivered to Buyer may be counterfeit or fraudulent.

26.7 Supply Chain Sustainability Disclosure. On request, Seller shall provide information supporting Buyer's supply-chain disclosure obligations, including conflict-minerals sourcing (e.g., under Dodd-Frank Section 1502) and, where applicable to Seller's materials, deforestation-linked sourcing disclosures (e.g., under the EU Deforestation Regulation), and shall notify Buyer promptly of any change affecting the accuracy of information previously provided.

27. DATA SECURITY; AI SYSTEMS

27.1 Data Security. Seller shall maintain administrative, technical, and physical safeguards for all data, drawings, specifications, and other information Buyer provides ("Buyer Data") that meet or exceed industry standards, comply with applicable data-protection laws, and are consistent with Buyer's reasonable security requirements. Seller shall promptly report to Buyer any breach of security or unauthorized access to systems holding Buyer Data, remedy it diligently, and provide a root-cause assessment and mitigation plan. This obligation applies whether Seller hosts Buyer Data itself or through a third-party or cloud provider.

27.2 Security Certification. Depending on the sensitivity of the Buyer Data involved and Seller's role, Buyer may require Seller to demonstrate information-security certification (such as ISO/IEC 27001 or, for automotive-specific engagements, TISAX), to be obtained within eighteen (18) months of the PO date if not already held.

27.3 AI Systems. If any Supplies or Services involve an AI system (as defined by applicable law, including the EU AI Act where it applies), Seller shall proactively disclose that fact to Buyer and provide the supporting information Buyer reasonably needs to meet its own AI-governance and disclosure obligations, before delivery begins.

28. RIGHTS OF ENTRY; RECLAMATION; AUDIT

28.1 Facility Entry and Reclamation. Buyer may enter Seller's facility during normal business hours (or, during a Seller shutdown, at reasonable times) to inspect Buyer Property, materials, and Supplies, and may remove Buyer Property or goods already sold to Buyer, without need for a court order.

28.2 Audit Rights. Buyer and its customers may, at reasonable times, examine records, supplies, work-in-process, equipment, and tooling relating to Seller's obligations a PO or these Terms and Conditions; Seller shall cooperate with any such audit.

28.3 Seller's Entry on Buyer's Premises. If Seller or its representatives, employees, agents, or subcontractors enter Buyer's (or Buyer's customer's) premises in connection with the PO, Seller shall indemnify Buyer for property damage, injury, or death arising from their acts, omissions, or negligence, and shall ensure they comply with applicable workers'-compensation requirements for the jurisdiction.

29. GENERAL PROVISIONS

29.1 Relationship of Parties. Seller and Buyer are independent contracting parties. Nothing in any PO or these Terms and Conditions creates an agency, partnership, or authority for either party to bind the other.

29.2 Assignment. Seller may not assign or subcontract a PO, in whole or part, without Buyer's prior written consent. An unauthorized assignment entitles Buyer to cancel the PO. Buyer may assign the PO to an affiliate or successor without Seller's consent, without waiving any setoff or recoupment right.

29.3 No Waiver. Buyer's failure to insist on performance of any term, or to exercise any right, is not a waiver of that or any other term or right.

29.4 Severability. If any term is held invalid or unenforceable, it shall be reformed or deleted only to the extent necessary, and the remaining terms remain in full force.

29.5 Notices. Notices under Sections 5, 11, and 20 shall be in writing, delivered by email with confirmed receipt or by overnight courier to the Buyer representative identified on the applicable PO, and are effective on receipt. Seller's failure to give a required notice within the specified time waives the related right or remedy.

29.6 Electronic Communications. Seller shall comply with any method of electronic communication Buyer specifies, including for EDI, Releases, and electronic signatures.

29.7 Survival. Sections 5 (as to amounts invoiced), 6, 10, 12, 13, 14, 15, 17, 18, 25, and this Section 29 survive termination or expiration of each PO.

29.8 Governing Law; Venue. The PO's and these Terms and Conditions shall be governed, construed, and enforced in accordance with the laws of the State of Ohio, without regard to conflict-of-laws principles, and excludes the UN Convention on Contracts for the International Sale of Goods (including, without limitation the choice of law rules and provisions mandated thereby). The parties consent and submit to the exclusive jurisdiction and venue of the state and federal courts located in Lucas County, Ohio, for resolution of any disputes, conflicts, disagreements, or issues of interpretation arising under a PO or these Terms and Conditions, and Seller waives any objection to venue there.

29.9 Attorneys' Fees (Buyer Only). If either party brings an action arising under a PO or these Terms and Conditions, Buyer — and only Buyer — may recover its actual attorneys' fees and costs from Seller if Buyer prevails.

29.10 Reservation of Rights on Payment. If Buyer pays Seller, or otherwise confers a benefit on Seller, with an express reservation of rights (e.g., "without prejudice" or "under protest"), that payment or benefit does not waive or otherwise prejudice Buyer's rights in any dispute with Seller.

SIGNATURE / ACKNOWLEDGMENT (OPTIONAL — FOR NEW SUPPLIER SETUP)

Where Buyer requires a countersigned acknowledgment as part of supplier onboarding, the following block may be used. All POs are governed by these Terms and Conditions without requiring a signature, per Section 2.2.

TOLEDO TOOL & DIE CO.

By: ______________________________________
Name/Title: _______________________________
Date: ____________________________________

SUPPLIER

By: ______________________________________
Name/Title: _______________________________
Date: ____________________________________