

CHASSIS PLANS SUPPLIER TERMS AND CONDITIONS

1. ACCEPTANCE AND TERMS AND CONDITIONS

a) Seller shall signify acceptance of a Chassis Plans LLC (“Chassis Plans”) Purchase Order (“PO”) by responding in writing within 24 hours to the Chassis Plans Purchasing Department. However, performance or partial performance shall also constitute acceptance of this P.O.

b) By acceptance of the PO, Seller agrees to comply with all of its terms and conditions and all specifications and other documents to which the PO and documents attached hereto refer. Chassis Plans hereby objects to any terms and conditions contained in any acknowledgment of this PO, which are different from or in addition to those recited herein.

c) Failure by Chassis Plans either to enforce at any time any of the provisions hereof or to protest at any time any breach or default thereof shall not be construed as evidence to interpret the requirements of this PO, nor as a waiver of the requirements of such provisions, nor of the right of Chassis Plans thereafter to enforce each and every such provision. Chassis Plans approval of documents shall not relieve Seller from compliance with specifications related to this PO. All rights and obligations hereunder shall survive final performance of this PO.

d) Seller shall make no change in any design, specification, configuration, material, part or manufacturing process which affects the form, fit, function, reliability, or maintainability of goods without the prior written approval of the Chassis Plans Buyer.

e) Seller acknowledges that it has available to it all specifications, drawings and data referenced in this PO and that they are adequate to enable Seller to perform the work called for herein in accordance with the delivery schedule.

f) Unless otherwise specified in this PO, Seller shall deliver all material in accordance with the applicable specification/drawing revisions in effect at the time of the PO award.

g) The interpretation enforcement obligations of this order shall be in accordance with the laws of the State of California.

h) Chassis Plans rights under this PO are cumulative and in addition to any other rights available at law and equity.

i) Chassis Plans PO’s price is Firm Fixed Price, unless indicated to the contrary elsewhere in the PO.

2. TRANSPORTATION

Unless otherwise provided in this PO; transportation shall be “FOB Destination. No insurance or premium transportation costs will be allowed unless authorized in writing. If Seller does not comply with Chassis Plans delivery schedule Chassis Plans may specify, at its sole discretion, the mode and conditions of transportation to affect delivery and deduct from any of Seller’s invoices the cost of such premium transportation, if borne by Chassis Plans.

3. NEW MATERIALS

The goods to be delivered hereunder shall consist of new materials (not used or reconditioned).

4. INSPECTION

a) Chassis Plans and Chassis Plans customer (and the Government if this PO is, at any tier, under a Government contract) may at any time inspect Seller’s and Seller’s suppliers’ facilities which will or may be used in the performance of this PO and, at any time and place before, during, or after manufacture or completion, may inspect and test all material and workmanship entering into the performance of this PO.

No such inspection or test shall in any way relieve Seller of its obligations to furnish all required articles, materials, and services in strict accordance with the requirements of this PO. If inspection and test is made on the premises of Seller or any of its suppliers, Seller shall furnish, or cause to be furnished without additional charge, all reasonable facilities and assistance for safety and convenience of the inspectors in the performance of their duties. All inspections and tests shall be performed in such a manner as not to delay the work unduly. All goods are subject to final inspection and acceptance at Chassis Plans plant (or at any other location specified in writing by Chassis Plans) notwithstanding any payments or prior inspections. Such final inspection shall be made within a reasonable time after delivery.

b) Seller shall provide and maintain an inspection and process control system acceptable to Chassis Plans covering the goods hereunder. Records of all inspection work by Seller shall be kept complete and available to Chassis Plans and its customers during the performance of this PO and for such longer periods as may be specified in this PO.

c) Acceptance shall be conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or as otherwise provided in the PO. Chassis Plans reserves the right to refuse acceptance if the goods or services delivered hereunder do not conform to the requirements of this contract. In the case of non-conforming goods, supplier shall repair or replace such goods at supplier's option within a reasonable period for no increase in contract price.

d) The supplier shall incorporate best commercial standard practices for packaging and preservation (wrapping, padding, capping, forming, etc.) of ALL articles to prevent damage during shipping and storage. Outer packing will have clearly marked the part number, supplier, PO # and quantity contained.

5. MINOR DISCREPANCIES

a) If material contains minor discrepancies, which cannot be reworked to conform to 100% of the drawing requirements, Seller shall report such discrepancies as soon as possible for potential Chassis Plans Material Review consideration. Major and Critical discrepancies will not be considered for Chassis Plans Material Review.

The following information shall be included in the report: PO number and amendment, part number, revision letter, part name, serial numbers, quantity of defective parts, nature and cause of defects, and corrective action.

b) Chassis Plans requiring reports of defective material shall not imply willingness to accept such material nor does it relieve the Seller of its performance obligations hereunder.

c) When requested in writing by Quality and/or Purchasing, Seller shall provide proof of corrective action, root cause and root cause corrective action for any deficiencies deemed supplier responsibility on Discrepant Material Report.

Failure to respond in a timely and/or effective manner may result in future on-site review, source inspection at supplier's facility, being placed on purchase order hold status and/or supplier disqualification. Chassis Plans considers 5 working days to be a timely response for Supplier Corrective Action Requests.

6. DELIVERY

Delivery shall be at the location described on face of the PO.

a) If, without written authorization from Chassis Plans Seller ships goods so as to arrive more than fifteen (15) days in advance of schedule, Chassis Plans may return the goods at Seller's expense. Seller shall not invoice Chassis Plans for payment prior to the scheduled delivery date.

b) If delivery is delayed or threatened to be delayed by any event, Seller shall immediately notify Chassis Plans Buyer of the estimated delay involved, and the reasons therefore. Seller shall insert the substance of this clause in all Purchase Orders and subcontracts issued hereunder.

7. TERMINATION FOR DEFAULT

a) Chassis Plans may, by written notice of default to Seller, terminate this PO in whole or in part if the Seller fails to:

1. deliver the goods or to perform the services within the time specified in this PO or any extension; or
2. make progress, so as to endanger performance of this PO; or
3. perform any of the other provisions of this contract; and in either of these latter two circumstances does not cure such failure within (10) days (or such longer period as Chassis Plans may authorize in writing) after receipt of the notice from Chassis Plans specifying the failure.

b) If this PO is terminated for default, Chassis Plans may require Seller to deliver to Chassis Plans any (1) supplies and materials, manufacturing materials, and manufacturing drawings that Seller has specifically produced or acquired for the terminated portion of the PO. Chassis Plans shall pay the PO price for completed supplies delivered and accepted. Chassis Plans and Seller shall agree on the amount of payment for all other deliverables.

c) Seller shall not be liable to Chassis Plans for delays in performance occasioned by or caused beyond Seller's reasonable control and without its fault or negligence, including but not limited to acts of God or of the public enemy, acts of the government in its sovereign capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of Seller's suppliers at any tier provided, however, that the delays of Seller's suppliers at any tier are beyond the control of both Seller and its suppliers and without fault, or negligence of either.

d) Seller shall promptly notify Chassis Plans Buyer, if Seller is the subject of any petition in bankruptcy.

e) The rights and remedies of Chassis Plans in this clause are in addition to any other rights and remedies provided by law or under this PO.

8. TERMINATION FOR CONVENIENCE

Termination for the Government's (Chassis Plans) Convenience. In cases where the Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Seller shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Seller shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Seller can demonstrate to the satisfaction of the Government using its standard record keeping system, to have resulted from the termination. The Seller shall not be required to comply with the Cost Accounting Standards or contract cost principles for this purpose. The Seller shall not be paid for any work performed or costs incurred, which reasonably could have been avoided.

9. CHANGES

a) Chassis Plans may at any time, by a written Order, make changes within the general scope of this PO, in any one or more of the following:

1. The drawings, designs, or specifications where the goods to be furnished are to be specially manufactured for Chassis Plans in accordance therewith;
2. Description of services to be performed;
3. The method of shipment or packing;
4. The place of delivery, inspection and acceptance;

5. The amount of property or services furnished or to be furnished to Seller. If such Order causes a change in the cost of, or the time required for, performance of this PO, an equitable adjustment shall be made in the price and/or delivery schedule, and in such other provisions of this PO that are affected. Such adjustment shall be accomplished by a written amendment to this PO signed by both parties. Any claim by Seller for such adjustment must be made within twenty (20) days from the date of receipt of such change, although Chassis Plans in its sole discretion may receive and act upon any such claim at any time before final payment.

b) (b) Only the Buyer is authorized on behalf of Chassis Plans to issue changes whether formal or informal. If any direction or instruction by Chassis Plans personnel is deemed by Seller to constitute such a change, the Seller shall not rely upon such instruction or direction without the written confirmation of Chassis Plans Buyer.

c) (c) Nothing in this clause, including any disagreement with Chassis Plans as to the equitable adjustment to be made shall excuse Seller from proceeding with the PO as changed.

10. INFORMATION DISCLOSED TO CHASSIS PLANS

Except for information specifically identified in writing as proprietary in Seller's proposal to Chassis Plans prior to award of this PO, any knowledge or information which Seller has disclosed or may hereafter disclose to Chassis Plans in connection with the purchase of the goods and services covered by this PO shall not, unless otherwise specifically agreed upon in writing by Chassis Plans, be deemed to be confidential or proprietary information; and it shall be acquired by Chassis Plans free from any restrictions regarding its use or disclosure.

11. INFORMATION DISCLOSED TO SELLER

Seller shall keep confidential all information, drawings, specifications, or other data "Chassis Plans Information" either:

- a) furnished by Chassis Plans and captioned as confidential or Chassis Plans Proprietary; or
- b) prepared by Seller specifically in connection with the performance of this PO and Seller shall not divulge or use such "Chassis Plans Information", drawings, specifications or data to provide goods or services to any other customer, nor shall seller export "Chassis Plans Information" without the expressed approval of Chassis Plans.

c)

Except as required for the efficient performance of this PO, Seller shall not make copies or permit copies to be made without the prior written consent of Chassis Plans. Seller shall thereafter make no further use, either directly or indirectly, of any such information, drawings, specifications, data, or of any derivation without obtaining Chassis Plans' written consent. Proprietary data is to be returned to Chassis Plans or destroyed with a destruction certificate supplied to Chassis Plans when the proprietary data is no longer needed. This clause shall not apply to information after its entry into the public domain otherwise than as a result of a breach of this clause, nor shall it limit any rights the Government may have in such information.

12. CUSTOMER SUPPLIED MATERIAL

a) Chassis Plans may furnish Seller property owned by either Chassis Plans or its customer and required by Seller for the performance of the work under this PO, or have Seller acquire property for Chassis Plans or its customer's account (hereafter referred to as "Customer Supplied Material" or "CSM"). This may include, without limitation, tools, equipment or material of every description, and any replacement thereof or any material affixed or attached thereto.

b) Title to CSM shall not vest in Seller. Title thereto shall not be affected by the incorporation or attachment thereto of any property not owned by Chassis Plans or its customer; nor shall any CSM or any part thereof, be or become a fixture or lose its identity because it is affixed to any realty. Seller shall maintain property control records of CSM consistent with good business practice and as may be prescribed by Chassis Plans. Seller shall issue such reports as Chassis Plans may require. Seller shall cause all CSM to be clearly marked (if not so marked) to show that it is property of Chassis Plans or its customer.

- d) Except as may be authorized by Chassis Plans in writing, CSM shall be used only for the performance of this PO.
- e) Seller shall, in accordance with sound industrial practice and without additional charge to Chassis Plans, maintain in operating condition, repair, protect, and preserve CSM until disposed of by Seller in accordance with this clause.
- f) Seller assumes the risk of, and shall be responsible for any loss of or damage to CSM in Seller's possession except for reasonable wear and tear resulting from performance of this PO.
- g) Chassis Plans (and its customer where the CSM is customer owned or financed) shall at all reasonable times have access to the premises wherein any CSM is located.

h) Upon the completion of this PO, Seller shall submit, in a form acceptable to Chassis Plans, inventory schedules covering all items of CSM not consumed in the performance of this PO (including any scrap). Seller shall hold the same at no charge for sixty (60) days. After this, Seller shall dismantle, prepare for shipment and, at Chassis Plans direction store or deliver said property (at Chassis Plans expense), or make such other disposal of CSM as directed by Chassis Plans. The net proceeds of any such disposal shall be credited to the price of the PO or shall be paid over as Chassis Plans may direct.

13. WORK ON CHASSIS PLANS OR ITS CUSTOMER'S PREMISES

a) If this PO involves work by Seller on the premises of Chassis Plans or its customers, Seller shall comply with all safety and security regulations and shall take all precautions required by any of these or otherwise necessary to prevent the occurrence of any injury to person or property during the progress of such work. Seller shall promptly inform Chassis Plans of any such injury or damage.

b) Seller shall provide timely notice to Chassis Plans prior to the introduction to the premises of any hazardous material as defined in any Federal, state or local law or ordinance or in any lawful order, rule or regulation there under applicable to the premises. Seller shall equip its employees, agents and subcontractors, for the use of such hazardous material, and for such other hazardous materials, as identified by Chassis Plans or its customer on the premises.

14. NON-ASSIGNMENT

Neither this PO nor any rights or obligations under it shall be assigned to third parties by Seller without the prior written consent of Chassis Plans. However, claims for any payment due or to become due under this PO may be assigned by Seller without such consent, if Chassis Plans is promptly furnished with written notice and a signed copy of any such assignment. Payment to an assignee of any such claim shall be subject to set off or recoupment for any present or future claim or claims, which Chassis Plans may have against Seller.

15. COMPLIANCE WITH LAWS

a) Seller shall comply with the applicable provision of all Federal, state, and local laws and ordinances and all lawful orders, rules, and regulations there under; and such compliance's shall be a material requirement of this PO.

b) Seller represents that the goods to be furnished hereunder were or will be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended.

c) Seller warrants that each chemical substance constituting or contained in goods sold or otherwise transferred to Chassis Plans hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic Substances Control Act (15 U.S.C. Sec 2601 at seq.) as amended.

d) Seller shall provide to Chassis Plans with each delivery any Material Safety Data Sheet applicable to the goods and containing such information as required by the Occupational Safety and Health Act and regulations.

16. U.S. FAR/DFARS Clause Flow-Down

The Federal Acquisition Regulation (FAR) is the principal set of rules in the Federal Acquisition Regulation System. All FAR and Defense Federal Acquisition Regulation Supplements (DFARS) clauses cited below, where applicable by their terms, are incorporated herein by reference as if set forth in full text. The full text of all clauses incorporated by reference is available at <http://www.acquisition.gov/>. If so identified, this Order is a "rated order" certified for national defense use and Seller shall follow all the requirements of the Defense Priorities and Allocation System (DPAS) Regulation (15 C.F.R. Part 700).

17. COUNTERFEIT PRODUCTS For purposes of this clause, goods are any tangible items delivered under this order, including without limitation the lowest level of separately identifiable items, such as parts, articles, components, and assemblies. "Counterfeit Goods" are goods that are or contain items misrepresented as having been designed, produced, and/or sold by an authorized manufacturer and seller, including without limitation unauthorized copies, replicas, or substitutes. The term also includes authorized goods that have reached a design life limit or have been damaged, but are altered and misrepresented as acceptable.

Seller agrees to comply with SAE AS5553 and shall ensure that Counterfeit Goods are not delivered to Chassis Plans. Goods delivered to Chassis Plans or incorporated into other Goods and delivered to Chassis Plans shall be new and shall be procured directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Chassis Plans. When requested by Chassis Plans Seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.

In the event that Work delivered under this Agreement constitutes or includes Counterfeit Goods, Seller shall, at its expense, promptly replace such Counterfeit Goods with authentic Goods conforming to the requirements of this Agreement. Notwithstanding any other provision in this Agreement, Seller shall be liable for all costs relating to the removal and replacement of Counterfeit Goods, including without limitation Chassis Plans costs of removing Counterfeit Goods, of reinserting replacement goods, and of any testing necessitated by the reinstallation of Goods after Counterfeit Goods have been exchanged. Seller shall include equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as goods to Chassis Plans.

18. COTS Traceability

DFAR 252.246-7007 requires suppliers to maintain traceability of the COTS supply chain from the supplier back to the OEM. Chassis Plans suppliers are required to provide certification and traceability documentation from manufacturers, where available referencing manufacturer's batch identification information such as date codes, lot codes, or serial numbers.

19. CONFLICT MINERALS

Section 1502(b) of HR4173, the Dodd – Frank Wall Street Reform and Protection Act of 2010 passed in July 2010 is an attempt to prevent rebel groups in the Democratic Republic of Congo (DRC) from illegally using profits from the material trade to fund their activities. As a result of this act the U.S. Securities and Exchange Commission (SEC) has adopted final rules to implement reporting and disclosure requirements related to “conflict minerals.”

The rules require manufacturers who file certain reports with the SEC to disclose whether the products they manufacture or contract to manufacture contain “conflict minerals” that are “necessary to the functionality or production” of these products. The definition of “conflict minerals” refers to gold, tin, tantalum and tungsten, the derivatives of cassiterite, columbite-tantalite and wolframite, regardless of where they are sourced, processed or sold.

Chassis Plans LLC, as a privately held corporation, is not subject to the Conflict Minerals reporting requirements; however, as a supplier to publically-traded companies, we are committed to helping our customers comply with their reporting requirements to the best of our ability. To ensure compliance with this policy we ask our suppliers to undertake reasonable due diligence with their supply chains to assure that specified metals are only being sourced from mines and smelters outside the “conflict region” or from mines and smelters that have been certified by an independent third party as “conflict free.”

20. REACH / SVHC

Chassis Plans products are compliant with the European Union Directive 2011/65/EU (RoHS2). Our products do not contain above the 0.1% weight (w/w) threshold of any Substance of Very High Concern (SVHC) on the European Chemicals Agency (ECHA) candidates list.

The list (<http://echa.europa.eu/web/guest/candidate-list-table>) has recently been updated (last update: December 17, 2014) and now includes 161 substances.

Chassis Plans intends to ensure that the following substances are not intentionally included ingredients in the manufacturing or packaging of any of our products except where specific, active exemptions apply.

- + Lead (Pb)
- + Mercury (Hg)
- + Cadmium (Cd)
- + Hexavalent Chromium (Cr VI)
- + Polybrominated Biphenyls (PBB)
- + Polybrominated Diphenyl Ethers (PBDE)

Per EU RoHS2 Directives, a maximum concentration value of 0.1% by weight in homogeneous material of Lead, Hexavalent Chromium, Mercury, Polybrominated Biphenyl (PBB) and Polybrominated Diphenyl Ethers (PBDE) and of 0.01% weight in homogeneous Cadmium shall be included.

Suppliers are required to notify Chassis Plans in writing if any products provided to Chassis Plans contain substances exceeding current EU RoHS2 / REACH acceptable levels.

21. PUBLIC RELEASE OF INFORMATION

No public release (including, without limitation, photographs, films, announcements, denials or confirmations of same on any part of the subject matter of this PO or any phase of any program) hereunder shall be made without the prior written approval of Chassis Plans.

22. EXTRA CHARGES

The price stated on the PO covers all work required by Seller to satisfy the requirements of the PO.

23. SECURITY INTERESTS

Seller shall cooperate with Chassis Plans in executing such documents as Chassis Plans deems appropriate to protect the security interest of Chassis Plans and Chassis Plans customers in Seller's work-in-process and CSM.

24. FOREIGN PURCHASES

(Applies if the PO involves goods imported into the U.S.)

- a) If elsewhere in this PO Chassis Plans is indicated as importer of record. Seller warrants that all sales hereunder are or will be made at not less than fair value under the United States Anti-Dumping Law (19 U.S.C. 1673 et seq.).
- b) If elsewhere in this PO Chassis Plans is not indicated as importer of record, then Seller agrees that:
 1. Chassis Plans will not be a party to the importation of goods, the transaction(s) represented by this PO will be consummated after importation, and Seller will neither cause nor permit Chassis Plans name to be shown as "Importer of Record" on any customs declarations; and

2. Upon request and where applicable, Seller will provide to Chassis Plans Customs Form 7543 entitled "Certificate of Delivery," properly executed.

25. PATENT INDEMNITY

The Seller shall indemnify Chassis Plans, its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of any U.S. or foreign patent, trademark or copyright arising out of the performance of this contract.

26. LIMITATIONS OF ACTION

Seller hereby agrees to waive all applicable statutes of limitations applicable to any Chassis Plans action against Seller under this PO until one (1) year after all such statutes applicable to any action by Chassis Plans Customer against Chassis Plans based on alleged breaches of requirements of Chassis Plans higher-tier contract occurring, in whole or in part, by reason of the alleged actions or inaction's of Seller constituting noncompliance by Seller with requirements of this PO; until (1) year following the expiration of the applicable statutes of limitation applicable to Chassis Plans Customer's action against Chassis Plans.

27. OCEAN TRANSPORT OF GOVERNMENT-OWNED SUPPLIES

The Seller shall advise Chassis Plans of any proposed transportation by ocean vessels of Government-owned property in the possession of Seller or his subcontractor (including property under which title will pass to Chassis Plans or the Government prior to such transportation) in the performance of this PO. Such property shall subsequently be transported only on United States-flag vessels as directed by Chassis Plans.

28. CONTROVERSIES

a) In the event that Seller asserts any claim against Chassis Plans for additional compensation or damages for breach of contract; and if such claim, if valid, would entitle Chassis Plans to relief, in whole or in part, under Chassis Plans higher tier contract; Seller shall institute no action or suit against Chassis Plans in any court; until Chassis Plans has exhausted its remedies (unless not otherwise timely pursued) under such higher tier contract before any relevant contracting officer, board of contract appeals, and courts, (hereinafter collectively "Adjudicative Bodies"); and the findings of fact and conclusions of law of such Adjudicative Bodies, if Chassis Plans shall have afforded Seller an opportunity to participate in proceedings before such Adjudicative Bodies, shall be binding as collateral estoppel on Chassis Plans

and Seller. On all other issues, the findings of fact and conclusions of law of such Adjudicative Bodies shall be binding as collateral estoppel upon Chassis Plans and Seller, if Chassis Plans shall have afforded Seller an opportunity to participate in proceedings before such Adjudicative Bodies.

- c) In the event that a contracting officer under Chassis Plans higher-tier contract renders any decision whereby any action or failure to act on the part of Seller is held to render Chassis Plans in default of its obligations under such higher-tier contract, such decision shall be binding upon Seller; if Chassis Plans shall afford Seller an opportunity to participate in proceedings before an appropriate Adjudicative Body.

c) In no event shall decisions of Adjudicative Bodies contemplated by this clause determine issues of fact or of law between Chassis Plans and Seller not cognizable before such Adjudicative Bodies.