

PURCHASE ORDER TERMS AND CONDITIONS

1. **AGREEMENT.** This purchase order ("Order") is issued for the purpose of acquiring the specific goods or services described on the face of this Order and any attachments hereto. Superior International Industries, Inc. and its subsidiaries (collectively, "SII") and the person or entity identified as Seller on the face of this Order ("Seller") agree to be bound by the terms and conditions set forth below, on the face of this Order or attached hereto. This Order sets forth the entire understanding between the parties and supersedes all prior written or oral inquiries, proposals, agreements, negotiations or commitments pertaining to the subject matter herein unless specifically identified and included in this Order. No amendments, modifications, substitutions, or supplements to this Order are binding unless in writing and signed by an authorized representative of SII's Purchasing Department.
2. **DUE AUTHORIZATION.** This Order shall only be binding on SII if, and SII shall no obligation to accept or pay for any good or services unless, this Order was issued by an authorized representative of SII's Purchasing Department.
3. **ACCEPTANCE.** This Order must be accepted as indicated in the Order or, if the Order does not provide, in writing by Seller within the time specified on the face of the Order or, if not so specified, within a reasonable time of Seller's receipt hereof. If for any reason Seller fails to accept this Order in writing or as specified in the Order, the furnishing or commencement of any goods or services called for hereunder, the shipment by Seller of any goods ordered hereby, the acceptance of any payment by Seller hereunder, or any other conduct by Seller that recognizes the existence of a contract pertaining to the subject matter hereof, may, at SII's election, be treated as an unqualified acceptance by Seller of this Order and agreement and all the terms and conditions hereof.
4. **PRECEDENCE.** These terms and conditions and any attachments hereto take precedence over Seller's additional or different terms and conditions. Any terms or conditions proposed in Seller's acceptance or in any acknowledgment, invoice, or other form of Seller that add to, vary from, or conflict with the terms herein and attached hereto are hereby rejected. Any such proposed terms shall be void and the terms and conditions of this Order shall constitute the complete and exclusive statement of the terms and conditions of the contract between the parties and shall apply to each of the goods and services received by SII from Seller hereunder, and such terms and conditions may hereafter be modified only by written instrument executed by an authorized representative of SII's Purchasing Department and an authorized representative of Seller. If the Order is issued by SII in response to an offer by Seller and if any of the terms herein are additional to or different from any terms of such offer, then the issuance of the Order by SII shall constitute an acceptance of such offer subject to the express condition that Seller assents to all such additional and different terms herein and acknowledge that this Order constitutes the entire agreement between SII and Seller with respect to the subject matter hereof. Seller shall be deemed to have so assented and acknowledged unless Seller notifies SII to the contrary in writing within ten (10) days of receipt of this Order.
5. **PRICE.** This order shall not be filled at prices higher than those shown herein, unless such increased prices have been authorized in writing in advance by an authorized representative of SII's Purchasing Department. Seller warrants that the prices charged for good or services ordered herein are equivalent to the prices charged to other similarly situated customers for similar quantities of goods or services of like quality.
6. **TAXES.** The prices for all goods and services purchased under this Order include all taxes and import and export duties of whatever nature, except state sales taxes. State sales tax will be added to the prices, as applicable, and stated as a separate item on each invoice with every Order. Seller is solely responsible for all penalties, interest, additional taxes or other charges that are demanded from, levied or assessed against SII as a result of any delay or failure by Seller to pay a tax, file a return or provide information required by law or this Order. Following receipt of notice, Seller must immediately pay any such amounts and reimburse SII for any costs incurred by SII in connection with any demand, levy or assessment.
7. **CASH DISCOUNT.** Any applicable discount period shall be calculated from the date an acceptable invoice is received by SII on or after receipt of the goods or services ordered.
8. **DELIVERY.** Time is of the essence of this Order, and delivery shall be strictly in accordance with the schedules set forth on the face hereof or the attachments hereto. Delays in shipment shall be reported immediately by Seller to SII. SII reserves the right to cancel this order in whole or in part if Seller should fail to make deliveries in accordance with the terms hereof.
9. **PASSAGE OF TITLE AND RISK OF LOSS.** Unless otherwise specified in writing by SII shipments shall be F.O.B. origin. When shipment is F.O.B. origin, title and risk of loss or damage shall pass to SII upon Seller's proper delivery to the common carrier, provided, however, that Seller shall be responsible for any loss or damage due to its failure to preserve, package, handle or properly pack the goods. When shipment is F.O.B. destination, title and risk of loss or damage shall remain with Seller until delivery to SII at its "ship to" location. SII shall not be required to assert any claims against common carriers.
10. **OVERSHIPMENTS.** Subject to its rights of inspection and acceptance, SII will be liable for payment only for quantities ordered and delivered to the proper SII location in accordance with the instructions herein. If Seller ships in advance of the designated shipment date, at its option SII may either return the goods or delay processing the invoice until the confirmed delivery date. Over shipments shall be held by SII at Seller's risk and expense for a reasonable time awaiting shipping instructions from Seller. Returns shall be at Seller's risk and expense, including transportation charges.
11. **WARRANTY.** SELLER EXPRESSLY COVENANTS AND WARRANTS THAT ALL GOODS AND SERVICES SHALL CONFORM TO THE SPECIFICATIONS, DRAWINGS, SAMPLES OR OTHER DESCRIPTION UPON WHICH THE ORDER IS BASED, SHALL BE SUITABLE FOR THE PURPOSE INTENDED, MERCHANTABILITY, FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP, AND FREE FROM LIENS, OR ENCUMBRANCES OF TITLE, AND THAT GOODS AND SERVICES OF SELLER'S DESIGN WILL BE FREE FROM DEFECT IN DESIGN. INSPECTION, TEST, ACCEPTANCE OR USE OF GOODS AND SERVICES FURNISHED HEREUNDER SHALL NOT AFFECT SELLER'S OBLIGATION UNDER THIS WARRANTY, AND SUCH WARRANTIES SHALL SURVIVE INSPECTION, TEST, ACCEPTANCE AND USE. THIS WARRANTY SHALL RUN TO SII, ITS SUCCESSORS, ASSIGNS, CUSTOMERS, AND THE USERS OF THE GOODS AND SERVICES. SELLER AGREES TO REPLACE OR CORRECT DEFECTS OF ANY GOODS AND SERVICES NOT CONFORMING TO THE FOREGOING WARRANTY PROMPTLY, WITHOUT EXPENSE TO SII, WHEN NOTIFIED OF SUCH NONCONFORMITY BY SII. IN THE EVENT OF FAILURE BY SELLER TO CORRECT DEFECTS IN OR REPLACE NONCONFORMING GOODS AND SERVICES PROMPTLY, SII, AFTER REASONABLE NOTICE TO SELLER, MAY MAKE SUCH CORRECTION OR REPLACE SUCH GOODS AND SERVICES AND CHARGE SELLER FOR THE COST INCURRED BY SII THEREBY. SELLER FURTHER WARRANTS THAT ALL WORK WILL BE PERFORMED IN A PROFESSIONAL MANNER IN ACCORDANCE WITH THE HIGHEST INDUSTRY STANDARDS.
12. **SETOFF.** All claims for monies due or to become due from SII shall be subject to deduction by SII for any setoff or counterclaim arising out of this or any other of SII's transactions with Seller.
13. **CHANGES.** Notwithstanding anything contained herein to the contrary, SII may make changes in SII-supplied drawings, designs and specifications at any time effective when received in writing by Seller. SII may also make changes in the method of shipping or packing and place of delivery by any means of communication. If any change affects the cost or delivery schedules of goods or services ordered herein, an equitable adjustment shall be made provided that Seller has made a written claim therefore within 15 days from the date SII notifies Seller of the change, and provided further that authorized representative of SII's Purchasing Department has agreed in writing to said adjustment.
14. **TERMINATION.**
 - a) SII may terminate this Order or any part hereof in the event of any default by the Seller or if Seller otherwise fails to comply with any of the terms and conditions of this Order by providing written notice to Seller specifying the effective date of termination. Late deliveries or deliveries of goods and services which are defective or which do not conform to this Order shall all be causes among others, for allowing SII to terminate this order for cause. In the event of termination pursuant to this Paragraph 14(a), SII shall have no liability to Seller whatsoever, and Seller shall be liable to SII for any and all damages sustained by reason of the default or other failure, which gave rise to the termination. Any termination for cause will be cumulative with, and without prejudice to, any other rights or remedies SII may have.
 - b) SII may terminate this Order or any part hereof for convenience by providing written notice to Seller specifying the effective date of termination. In the event of termination pursuant to this Paragraph 14(a), solely with respect to specialty or custom manufactured goods ("Special Order") less than 30 calendar days before its specified delivery date, SII will reimburse Seller only for Seller's actual expenditures for the Special Order, based on substantiating documentation provided by Seller.
 - c) Upon notice of any termination pursuant, Seller must: (i) stop all specified work and preserve all work in progress and in place; (ii) notify and cause its suppliers and subcontractors to stop all specified work and preserve all their work in progress and in place; and (iii) take all reasonable steps to mitigate any additional expenses or costs.
 - d) In no event is SII liable to Seller for any direct, indirect, special or consequential damages, lost profits, penalties or costs arising out of any termination.
15. **LIENS.** If a lien affecting any of SII's rights is filed by a provider of goods or services to Seller, Seller must remove the lien within ten days of written demand from SII. If Seller fails to remove the lien, SII may: (i) pay the amount of the lien; (ii) bond the removal of the lien; or (iii) take any other step necessary to remove the lien. Seller must immediately reimburse SII for the cost of removal, including attorneys' fees, upon receipt of written demand from SII.
16. **GENERAL INDEMNIFICATION.** Seller must, to the fullest extent permitted by law, indemnify, defend and hold SII and SII's employees, directors, officers, affiliates, agents, successors and assigns harmless from all claims, demands, liabilities, losses, costs, fees, expenses, damages and injuries of any kind or nature arising from or connected with Seller's performance of this Order, including, without limitation, liability for claims related to employment benefits, injury to or death of any person, damage to or loss of any property or Seller's failure to comply with any federal, state or local law, regulation or code, except for claims arising from the sole negligence or willful misconduct of SII or SII's employees.
17. **INTELLECTUAL PROPERTY INDEMNITY.** Seller agrees to indemnify and save harmless SII its affiliates, subsidiaries, successors, assigns and customers against all claims, demands, liabilities, losses, costs, fees, expenses, damages and injuries of any kind or nature (including but not limited to attorneys' fees and costs) arising from any actual or claimed infringements of patents, trademarks, service marks or copyrights or any other intellectual property with respect to goods and services furnished hereunder by Seller, and to defend any suits based thereon.
18. **OWNERSHIP.** Seller acknowledges and agrees that all right, title and interest in and to any work product, including, but not limited to, any reports, drawings, photographs, data and specifications, whether stored on paper, computer disks or otherwise, software programs, derivative works, discovery, invention, patent, know-how or improvement (together, the "Work Product") which may be conceived, created or developed as a result of or in connection with the goods and services provided in connection with this Order shall be the sole property of SII. Seller hereby assigns to SII all of Seller's right, title and interest in the Work Product, including, without limitation, all patents, copyrights, trade secret rights and other proprietary rights. All Work Product and any reproductions thereof shall be surrendered to SII by Seller upon completion of the related work or termination of this Order, whichever occurs first. All Work Product may be used by SII without restriction and may not be used by Seller or its subsidiaries or its subcontractors, if any, without SII's prior written consent.
19. **GOVERNMENTAL COMPLIANCE.**
 - a) Seller will comply with all federal state and local laws and regulations applicable to performance of its obligations hereunder, including (to the extent applicable and without limitation), the Fair Labor Standards Act of 1938, as amended, the Williams-Steiger Occupational Safety and Health Act of 1970, as amended, Service Contract Act of 1965 as amended, and the Equal Employment Opportunity clauses prescribed by Executive Orders regarding non-discrimination because of race, creed, color, sex, age, national origin, physical or mental handicap, or veteran status, Executive Order 11246 and related orders.
 - b) If the goods ordered herein are purchased for incorporation into products sold under a United States Government contract or subcontract, the terms required to be inserted by that contract or subcontract shall be deemed to apply to this order
 - c) Seller warrants that each chemical substance constituting or contained in goods sold hereunder is on the inventory of Chemical Substances compiled and published by the Administrator of the Environmental Protection Administration pursuant to the Toxic

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Substances Control Act.

20. COUNTRY OF MANUFACTURE. Upon SII's request, Seller agrees to provide SII with a signed affidavit of the country of origin for goods delivered hereunder.
21. DUTY DRAWBACK RIGHTS. If the goods delivered hereunder are imported and dutiable, Seller agrees to allow SII to be the importer of record where possible, or upon request of SII. Seller agrees to provide SII with documents required by U.S. Customs regulations to prove importation and transfer duty drawback rights to SII.
22. CONFIDENTIAL INFORMATION. Seller agrees that it will treat as confidential and will not at any time, without the prior written approval of SII, use (other than as required by Seller to manufacture and/or deliver the goods or services ordered herein) or publish, disclose, copyright, reproduce or authorize anyone else to use, publish, disclose, copyright or reproduce any drawings, designs, processes, procedures, or any other information provided by SII to Seller, whether orally or in writing, of a confidential, proprietary, scientific or technical nature.
23. REMOVAL OF PROPERTY OWNED BY SII. Seller agrees that SII, or any authorized representative thereof, may at any time, during normal business hours, enter upon Seller's premises and remove any tools, molds or other items owned by SII which SII may have authorized Seller to use in connection with the manufacture and/or delivery of the goods or services ordered herein.
24. MISCELLANEOUS.
 - a) Seller agrees that whenever an actual or potential labor dispute, delays or threatens to delay the timely performance hereof Seller shall immediately give written notice thereof to SII.
 - b) In the event Seller becomes insolvent or unable to pay its debts as they mature, or in the event a proceeding is instituted by or against Seller alleging that Seller is insolvent or unable to pay its debts as they mature, or in the event a petition under Title 11 of The United States Code is filed by or against Seller or in the event of the appointment for Seller, with or without Seller's consent, of an assignee for the benefit of creditors or of a receiver, SII shall be entitled to cancel any unfilled part hereof, without any liability whatsoever.
 - c) Seller shall not delegate any duties nor assign any rights or claims under this Order or arising from its breach without the prior written consent of SII. Any such attempted delegation or assignment shall be void.
 - d) The waiver of any term, condition or provision of the Order by SII shall not be construed as a waiver of any other term, condition or provision, nor shall such waiver be deemed a waiver of any subsequent breach thereof.
 - e) Should it be necessary for SII to initiate legal proceedings to enforce any provision hereof, SII shall, in addition to all other rights at law, be entitled to reasonable attorney's fees from Seller.
 - f) Any notices, required to be given hereunder shall be sent in writing, by first class mail or hand delivery, to Seller's "issued to" address or SII's acknowledgment to address on the face hereof, as applicable.
 - g) Typographical and clerical errors are subject to correction.
 - h) This Order shall be interpreted and governed in all respects by the laws of the state of SII's "ship to" address indicated on the face hereof. Seller hereby consents to the jurisdiction and venue of the courts within said state.
 - i) Should any provision of this Order, for any reason, be invalid under applicable law, such provision shall be ineffective only to the extent of such invalidity, without invalidating the remaining provisions of this order.
 - j) Any provisions set forth in this Order which by context are intended to survive, including, but not limited to, provisions related to insurance, indemnity, ownership of work product, confidential information, publicity, assignment, governing law, records, audits, warranties or representations, shall survive the completion of performance, cancellation or termination of this Order for a period of at least five years.

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