GENERAL PURCHASING CONDITIONS for all GKN Driveline U.S. COMPANIES

1. DEFINITIONS AND INTRODUCTION

“we”, “our” and “us” refers to the applicable purchaser among GKN Driveline North America, Inc., GKN Driveline Bowling Green, Inc., GKN Driveline Newton, LLC, or other members of the Group.

“Group” means GKN plc and all its direct or indirect subsidiaries.

Our agreement with you (the “Contract”) consists of: (i) any duly signed contract which applies to our purchase of goods and/or services from you; (ii) any purchase order or any delivery schedule (any “Order”); (iii) these General Purchasing Conditions; (iv) any specifications and safety, health and environmental requirements that we agree with you; (v) any supplementary conditions of performance agreed with you; (vi) our quality and other requirements or procedures made available to you (via GKN’s Supplier Portal or otherwise). If there is any inconsistency between any parts of the Contract, the parts placed higher in the list will prevail.

2. YOUR CONDITIONS EXCLUDED

If you seek to impose additional or different terms on our purchase, they will not form part of the Contract and are excluded and rejected by these General Purchasing Conditions.

3. DELIVERY

3.1 Time is of the essence. You must deliver goods and/or services that we order in accordance with the delivery terms and dates set out in the Contract. If any goods and/or services are delivered on time or are delivered incorrectly, we may terminate the relevant Order.

3.2 Goods must be delivered DDP (as defined in current Incoterms), or as otherwise specified in the Contract. Ownership of the goods you deliver will transfer to us on delivery.

3.3 All goods must be packaged so as to protect them adequately before, during and after delivery and, if required, each delivery shall be accompanied in a form acceptable to us, by a certificate of conformity and/or an up-to-date material safety data sheet.

3.4 Delay or failure in performance may be excused only for natural disasters, governmental restrictions, strikes, lockouts or similar events beyond your control and only to the extent they are unforeseeable, the delay is beyond your reasonable control, and you give us prompt written notice.

4. QUALITY, REJECTION AND INDEMNITY

4.1 Any goods supplied by you must be: (i) of the quality and description specified in the Contract; (ii) of satisfactory quality; (iii) fit for their purpose; and (iv) conform to any sample, specification or other requirement referred to in the Contract; and (v) conform to any sample or specification referred to in the Contract; and (vi) conform to any applicable industry code of practice; and (ii) of good workmanship, subject to a bankruptcy or insolvency event or enter into a composition or receivership or liquidate or do not have the ability to purchase goods and services to us and our employees, agents or sub-contractors in supplying goods and/or services pursuant to the Contract.

5. INVOICING AND PAYMENT

5.1 We pay for goods and services that you supply to us in accordance with the Contract. You must invoice us after delivery of the goods and/or services ordered by us and in accordance with any payment schedule in the Contract.

5.2 Invoices must show: the date of delivery, Order number, delivery address and description of goods and/or services delivered, and must be sent to the invoice address specified in the Order.

5.3 Unless otherwise set out in the Order, payment will be due from us within 90 days of the Thursday following the end of the month of receipt by us of a valid invoice.

5.4 We may deduct from the price of the goods and/or services ordered by us any sums due to the Group under the Contract or any other contract between you and the Group.

6. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

6.1 You must not disclose to any other person or entity any confidential information belonging to the Group or any of its divisions, customers or suppliers or confidential information arising from our business relationship with you, whether in writing or not, including this Contract, specifications, formulations, manufacturing processes, know-how or any technical or economic information or use such information for any purpose except for the supply of goods and/or services under the Contract or use in performing the Contract and in the course of writing by us. You must return to us such information and any copies if requested.

6.2 You must, on request, transfer to us, free of charge and free from encumbrances, any documents, specifications, plans, drawings, samples, information or goods created or prepared during performance by you or your employees, subcontractors and consultants, which we may use without any charge.

6.3 Intellectual property rights in any information, documentation, prototypes orooling provided by you to us shall remain owned by us or our customers or our suppliers and shall only be used for the sole purpose of supplying goods and/or services to us. If any intellectual property rights are created or generated from such information, documentation, prototypes or tooling in performing the Contract then such rights shall be owned by us.

7. OUR PROPERTY

7.1 This subject relates to all property (including tooling of any kind) and any related information, documentation and intellectual property rights therein: (i) purchased by you on the basis of a purchase order or an Order; (ii) provided to you for use in the supply of goods and/or services or for any other purpose, whether or not modified, repaired or replaced ("Our Property").

7.2 As between you and us, Our Property (and any scrap resulting from it) is solely owned by us and shall be held by you in connection with the agreement as to who owns any of Our Property, the presumption will be that we do.

7.3 Where you are in possession of Our Property it is on a fiduciary basis as our bailee and you shall not use it or any part thereof for your own benefit without the prior written consent of us.

7.4 Risk in Our Property passes to us on delivery and remains with you until it is returned to us. While Our Property is in your possession or control you shall: (i) be responsible for any loss or damage to it (other than fair wear and tear); (ii) store and use it at your premises in a proper and secure manner; (iii) clearly label or identify it as belonging to us; (iv) maintain insurance against all loss or damage; (v) use it with care; (vi) inspect it and maintain it in good order and condition; (vii) immediately notify us if it is lost, damaged or seized; (viii) not give it to any of your creditors or sub-contractors without our prior written consent; (ix) keep it separately from goods which do not comply with the Contract or the use of which might damage it; (x) not sell, dispose or encumber it; (xi) either destroy it or return it to us at our request and, if the breach cannot be remedied, you shall remit to us such information and any copies if request, each delivery shall be accompanied with goods which do comply with the Contract; and (ii) of satisfactory quality and/or services to us.

8. TERMINATION

8.1 We may cancel all or any part of any Order or terminate the Contract by giving you notice at any time prior to your full performance of the Order or Contract and in such event we will not be liable to pay the price for such goods or services.

8.2 We may terminate the Contract: (i) immediately if you or your parent company become subject to a bankruptcy or insolvency event or enter into a composition with any of your creditors; or (i) if you breach the Contract, and, if the breach cannot be remedied, you shall remit to us such information and any copies if request, each delivery shall be accompanied with possession of it or allow anyone else to use it (x) not sell, dispose or encumber it; (x) give us free and unrestricted access to it on reasonable notice during business hours and (y) either destroy it or return it to us; and (xii) copy or reproduce it in any other way.

8.3 Termination of all or part of an Order or the Contract will not prejudice accrued charges under any of the Orders or the Contract and your rights (other than in respect of any claims) will be unaffected.

8.4 You may be required to continue to supply spare parts and related services up to 15 years after termination or expiry of the Contract.

9. GENERAL

9.1 You and your suppliers must comply with all applicable laws, regulations and codes and also with the requirements of the GKN Supplier Code of Conduct available at www.GKNAutomotive.com/SupplierCodeofConduct. We have the right to inspect your premises, or reasonable access to and to inspect, examine and test any of your property or equipment.

9.2 You and your subcontractors shall abide by the requirements of 41 CFR sections 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified bases on race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

9.3 You must provide us with copies of any legal actions, including complaints and any related or otherwise related claims or actions, including claims and complaints by third parties and claims relating to recalls and service issues which may arise from the use of your goods and/or services and provide evidence of your applicable insurance and name us as additional insured.

9.4 Your rights or remedies under the Contract will not limit any of your other rights or remedies, whether under the Contract or otherwise.

9.5 You are not bound to perform any of your rights or obligations under the Contract without our prior written consent. Each company within our Group shall have the benefit of the Contract and may purchase goods and/or services pursuant to the terms of the Contract.

9.7 Any failure or delay by us to enforce or partially enforce any provision of the Contract shall not be a waiver of any of our rights.


10. LAW AND JURISDICTION

The Contract shall be exclusively governed by the laws of the State of Michigan (without regard to the conflict of its laws). If you are incorporated or otherwise legally reside in any state of the United States of America, the Federal Court for the Eastern District of Michigan (and if no federal jurisdiction, then state courts located in Oakland County, Michigan) shall have exclusive jurisdiction to settle any disputes or claims that arise out of or in connection with the Contract or its subject matter ("Claims") and each party waives any right to a trial by jury and objection to proceedings have been brought in an inappropriate forum. If not, any action against you by us, and in any event, any dispute relating to the Contract or its subject matter, shall either arbitrate or submit the dispute to arbitration in New York under the rules of arbitration of the American Arbitration Association by one or more arbitrators appointed in accordance with those rules. The language of the arbitration shall be English.