

**BAILMENT AGREEMENT FOR EQUIPMENT, TOOLING, CAPITAL AND
PACKAGING**

Minth Purchasing Policy and WI 3.1.15

Terms and Conditions of Bailment

This Bailment Agreement for Equipment, Tooling, Capital or Packaging (“Agreement”) is made as of the issued date of this Purchase Order Contract. Between Buyer (Bailor) and Seller (Bailee)

RECITALS:

A. Bailee has agreed to manufacture certain products, components, materials and parts (the “Products”) for sale to Bailor, to be used by Bailor in the manufacture of various automotive components at Bailor’s Facility as described on the Purchase Order Contract.

B. Pursuant to the terms hereof, Bailor is willing to lend the equipment, tooling, and fixtures set forth on Appendix I hereto (together with all related replacement parts, additions, repairs and accessories) (“Equipment”) for the sole purpose of manufacturing and supporting the Products (the “Bailment”).

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the parties agree as follows:

1. **BAILMENT.**

1.1. Bailor hereby lends and bails to Bailee, and Bailee hereby takes from Bailor as a Bailee at will, the Equipment pursuant to the terms set forth in this Agreement.

1.2. Bailee shall use the Equipment solely for the purpose of manufacturing the Products, unless otherwise approved in writing by the Bailor.

1.3. Bailee covenants that the Equipment shall be kept at the Facility, unless a written consent to a change in the location of the Equipment is obtained from Bailor no later than 60 days prior to the date of the proposed change in location of the Equipment.

1.4. Bailee covenants that no party (other than the Bailee) shall have possession of or operate the Equipment (a) unless approved in writing in advance by Bailor and (b) until such third parties have entered into a written agreement with Bailor regarding such activities.

1.5. Bailee shall: (a) pay all charges in connection with the operation of the Equipment; and (b) comply with all laws, ordinances, regulations, requirements, and rules with respect to the use, maintenance, and operation of the Equipment.

2. **TERM.**

2.1. The term of this Bailment shall commence on the date when the Equipment is delivered to Bailee in accordance with Article 4 hereof, and shall continue until terminated pursuant to Article 2.2.

2.2. Bailor may immediately terminate the Bailment at any time, for any reason, in its sole discretion.

2.3. Upon notification of termination by Bailor, the Bailee will return the Equipment to Bailor's designated location in at least as good as the condition as when it was delivered to Bailee, wear and tear for the Bailment purpose excepted. If Bailee does not immediately return the Equipment upon notification of termination, Bailor may retake possession of all the Equipment and remove the equipment from Bailee's premises or wherever the Equipment is located. Bailee shall cooperate with and assist Bailor in connection with Bailor's exercise of the foregoing rights, and shall in no event seek to prevent Bailor from taking possession of the Equipment.

2.4. If a court of competent jurisdiction determines Bailor has not retained ownership of any item of Equipment, Bailee shall be deemed to have granted Bailor a security interest giving Bailor all the rights of a secured creditor as to such item(s) under the Uniform Commercial Code or other applicable law as in effect in that jurisdiction.

3. **NO RENTAL CHARGE.** Bailor will provide the Equipment to Bailee without any charge for rental.

4. **DELIVERY AND ACCEPTANCE.**

4.1. Bailee shall pay all costs involved in shipment of the Equipment FCA Facility, pay all costs in connection with the installation of the Equipment at the Facility and pay all costs arising in connection with the removal of the Equipment from the Facility and the delivery of the Equipment to Bailor upon termination of this Agreement.

4.2. Unless otherwise provided in a written notice delivered by Bailee to Bailor within three business days after delivery, the Equipment shall be conclusively presumed to have been delivered in good operational condition without damage. Upon Bailor's request Bailee shall provide and sign conditions and reports confirming the conditions.

4.3. Bailee assumes and shall bear the entire risk of loss and damage to the Equipment from any and every cause whatsoever, from the time the Equipment leaves Bailor's location until the Equipment has been returned to Bailor's location.

5. **NO WARRANTIES.** THE BAILOR MAKES NO WARRANTY, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO THE NON-INFRINGEMENT, DESIGN, QUALITY, CAPACITY, DURABILITY, CONDITION, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE EQUIPMENT OR ANY PART THEREOF AND ALL SUCH WARRANTIES ARE DISCLAIMED.

6. **MAINTENANCE AND OPERATION.**

6.1. Bailee shall at its expense, maintain the Equipment in good operating order and condition, and to make all repairs and replacements necessary to maintain, preserve, and keep the Equipment in good operating order and condition. Bailee shall follow the specifications and recommended procedures contained in the manufacturer's manuals, guides and schedules (if any)

provided with the Equipment. If Bailor specifies or approves certain repair parts, Bailee agrees to use only those parts. Bailee agrees to notify Bailor promptly in writing if an item of such Property requires replacement or major repair, and to obtain Bailor's prior written approval before undertaking any replacement or major repair. Bailor agrees to pay for approved replacements and major repairs; however, Bailee agrees to pay for replacements and major repairs made necessary by Bailee's failure to perform normal maintenance and repairs.

6.2. The Bailee shall not make any alterations, additions, or improvements to the Equipment without the prior written consent of the Bailor. All repairs, replacements, parts, devices, accessories, and improvements of whatsoever kind or nature furnished or affixed to the Equipment shall belong to and become part of the property of the Bailor.

6.3. Bailee shall keep accurate records of the maintenance and other events affecting the Equipment. Such hard copy or digital records shall belong to Bailor and delivered with the Equipment or earlier on request.

7. **TITLE.**

7.1. Title to the Equipment is and will remain in Bailor. At all times the Equipment shall be deemed to be the sole and exclusive property of Bailor.

7.2. Bailee shall not lend, sell, assign or mortgage the Equipment or to permit it to be subject to any lien or legal process without Bailor's prior written consent.

7.3. Bailee shall give Bailor immediate notice of any attachment or other judicial process affecting the Equipment.

7.4. Bailee shall place and at all times maintain conspicuous markings and identifications on the Equipment establishing that Bailor owns all right, title and interest in the Equipment.

7.5. Bailee consents to the filing of informational UCC-1 financing statements stating that the Equipment is owned by Bailor.

8. **INSPECTION AND REMOVAL.** Bailor may enter any premises where the Equipment is located for the purpose of inspection, Bailor may remove the Equipment immediately, without notice to Bailee, if, in Bailor's sole opinion, the Equipment is being improperly used or maintained.

9. **RETURN OF PROPERTY.** Bailor may at any time for any or no reason demand Bailee's return of any or all items of Property upon giving written notice to Bailee. Promptly after receiving such a demand, Bailee shall disassemble, prepare for shipping and package the Equipment for removal from Bailee's premises. Bailor shall bear the cost of removal and relocation. Bailor can enter Bailee's premises during normal business hours for the purpose of helping Bailee coordinating these activities, and both parties shall cooperate fully with each other in this regard. Bailor shall take reasonable steps to ensure that these activities do not interfere with Bailee's normal business operations. Any claims Bailee might have relating to the parties' underlying contract(s) for goods or services are separate from Bailor's right to

retrieve Property under this Agreement. Bailee hereby waives any possessory or lien rights to the Property.

10. **WAIVER OF AUTOMATIC STAY.** In the event a bankruptcy petition under the Bankruptcy Code is filed by or against Bailee at any time after the Effective Date, Bailor will be entitled (upon the filing of an appropriate motion) to the immediate entry of an order from the Bankruptcy Court granting Bailor complete relief from the automatic stay imposed under the Bankruptcy Code to permit Bailor to exercise its right to remove Property from Bailee's Facility. Bailee hereby consents and agrees that: (i) upon Bailor's filing such a motion, Bailor shall be entitled to relief from the automatic stay without the necessity of a hearing and without having to prove the value of the Property, the lack of adequate protection of Bailor's interest in the Property or the lack of Bailee's equity in the Property; (ii) the lifting of the automatic stay shall be deemed to be "for cause"; and (iii) Bailee will not directly or indirectly oppose or otherwise defend against Bailor's efforts to gain relief from the automatic stay. The remedies in this Section are not intended to preclude Bailee from filing for protection under any chapter of the Bankruptcy Code. These remedies are not exclusive and shall not limit Bailor's rights under this Agreement or under any applicable law.

11. **BAILMENT.** Immediately upon Bailor's written request, Bailor shall have the unfettered right to immediate possession of the Bailed Components, without further notice or a court hearing. Bailor's right in the Bailed Components are free of any liens and security interests of Supplier or Supplier when Bailor request that Supplier surrender possession of the Bailed Components, including, but not limited to, facilitating and consenting to Bailor's immediate access to Supplies' premises. Supplier shall be responsible for risk of loss and all costs and expenses incurred in connection with the loading the Bailed Components on carriers selected by Bailor and shall be responsible for all costs of transporting of the Bailed Components to the destination selected by Bailor.

12. **INSURANCE.** Unless otherwise instructed by Bailor, Bailee insures the Equipment against all risks and the insurance policy shall be in form and in an amount equivalent to the current replacement value and reasonably acceptable to Bailor, and shall name Bailor as an additional insured. In addition, Bailee shall purchase insurance in an amount reasonable under the circumstances to cover the liability of the Bailor for public liability and property damage which in any event shall not be less than \$1,000,000 per occurrence. The Bailee shall deliver to the Bailor, not less than five days prior to the scheduled delivery date of the Equipment, the policies of insurance or duplicates thereof or other evidence satisfactory to the Bailor of such insurance coverage.

13. **TAXES.** Bailee shall pay promptly when due all taxes on the possession or use of the Equipment.

14. **INDEMNITY.** Bailee expressly assumes any and all risk of loss, damage or injury of whatever cause or nature to any and all persons and property, including without limitation, agents or employees of Bailee or third parties, arising out of or in connection with this Agreement or any use by Bailee or its agents of the Equipment. Bailee shall indemnify, defend and hold harmless Bailor, its officers, agents and employees from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind including all expenses of

litigation, court costs, and attorney fees, arising out of or in connection with this Agreement or any use of the Equipment during the Bailment. Notwithstanding any other provisions of this Agreement, the rights and obligations of the parties under this indemnity clause shall survive the cancellation, termination, expiration or completion of this Agreement.

15. **NO DAMAGES.** BAILOR SHALL NOT UNDER ANY CIRCUMSTANCES, BE RESPONSIBLE OR LIABLE FOR DAMAGES (WHETHER CONSEQUENTIAL, INDIRECT, SPECIAL OR OTHERWISE), ARISING OUT OF THE DELIVERY, USE, PERFORMANCE OR CONDITION OF THE EQUIPMENT.

16. **ASSIGNMENT.** Bailee shall not, without the prior written consent of Bailor:

16.1. Assign, transfer, pledge or hypothecate this Agreement, the Equipment or any part thereof, or any interest therein.

16.2. Bail or lend the Equipment or any part thereof, or permit the Equipment or any part thereof to be used by anyone other than Bailee or Bailee's employees or its agents.

17. **NON-WAIVER.** No covenant or condition of this Agreement can be waived except by the written consent of Bailor. Forbearance or indulgence by Bailor in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by Bailee to which the same may apply; and, until complete performance by Bailee of said covenant or condition, Bailor shall be entitled to invoke any remedy available to Bailor under this Agreement or by law or in equity despite said forbearance or indulgence.

18. **NOTICE.** Any notice required or permitted to be given hereunder shall be in writing and transmitted either by certified or registered mail, personal delivery, telefax, or printed electronic transmission. Notices sent by certified or registered mail shall be deemed to be received on the date of certification. Notice by personal delivery shall be deemed to be received on the date of the receipt of service by an employee of the receiving party. Notices given by telefax or printed electronic transmission shall be deemed to have been received 24 hours after being successfully transmitted to the fax number or e-mail address indicated in this Article 14.

To Bailor: Minth Americas or as described on this Purchase Order Contract
Attn: Purchasing
Address: Buyer as described on this Purchase Order Contract
Phone: 248-848-3580

To Bailee: Seller as described on this Purchase Order Contract

19. **STATUS OF PARTIES.** This Agreement shall not constitute, create, give effect to, or otherwise imply a teaming agreement, joint venture, pooling arrangement, partnership, or formal business organization of any kind, nor does the disclosure or receipt of any information or date hereunder constitute an offer, acceptance, promise or obligation by either party to enter into any additional contract, subcontract, amendment, agreement or other business relationship with the other party.

20. **THIRD PARTY RIGHTS.** This Agreement is made for the sole benefit of Bailee and Bailor and their respective successors, and no other person or entity is intended to or shall have any rights or benefits hereunder, whether as a third party beneficiary or otherwise. Notwithstanding the above, some of the Equipment may be owned by Bailor's customers and other third parties ("Third Party Equipment"). Bailee acknowledges that as between Bailor and Bailee, the Bailor shall be deemed to be the owner for purposes of this Agreement and in any case, Bailor's rights are superior to Bailee's rights. Bailor may enforce the rights of owner of Third Party Equipment in Bailor's own name without further proof of agency or other matters related to third party ownership. Bailee accepts all risks related thereto but Bailor shall indemnify Bailee against any claims by the owner of Third Party Equipment arising out of Bailee's recognition and acceptance of Bailor's authority.

21. **ENTIRE AGREEMENT.** This Agreement supplements provisions of Bailor's General Terms and Conditions of Purchase which with this Agreement contains the entire understanding between the parties and supersedes all prior discussions, undertakings or agreements, written or oral, related to the same subject matter. This Agreement maybe modified or changed only by a written amendment, signed by the authorized representatives of each party.

22. **GOVERNING LAW AND JURISDICTION.** Subject to the provision for arbitration, if any, the courts of Michigan shall have the exclusive jurisdiction to resolve disputes arising under or related to this Agreement. The law of Michigan, excluding its choice of law, shall govern the interpretation and enforcement of this Agreement.

23. **ARBITRATION.** Any dispute, controversy or claim arising out of, or in connection with this Agreement or the breach, termination or the validity thereof, shall be settled by the final and binding arbitration in accordance with the Commercial Rules of the American Arbitration Association. The arbitration shall be heard and determined by one arbitrator, appointed in accordance with those rules. Each party shall bear its own costs for preparing and presenting its case. The cost of the hearing room facilities, record transcription, and the arbitrator's fee shall be borne equally by the parties. The place of the arbitration shall be Oakland County, Michigan, United States of America, and the award shall be deemed an award of the State of Michigan. The arbitrator shall determine the matters in dispute in accordance with the laws (substantive and procedural) of the State of Michigan, excluding Michigan's choice of law provisions. The award shall be made and shall be payable in U.S. dollars, free of any tax or deduction. The award shall include interest, at an appropriate rate fixed by the arbitrator, from the date of any breach or violation of this Agreement to the date when the award is paid in full. The arbitrator's award will be the sole and exclusive remedy between the parties regarding any and all claims and counterclaims presented to the arbitrator. Judgment upon the award may be entered in any court of competent jurisdiction.

24. **EFFECTIVE DATE.** This Agreement shall be effective for the duration of this Purchase Order Contract.

Appendix I

Description of Equipment, Tooling, Capital and Packaging.

SEE ATTACHMENTS or Line items described on this Purchase Order Contract

(1559769.1)