
Johnson Medtech

Tooling Contract (the "Contract")

Between

Hereinafter called "Supplier or Supplier"

and

Johnson Medtech

Hereinafter called "Johnson Medtech or Johnson Medtech"

Purchase Order #:

[XXXXXXXX]

Item Description:

[Part Description]

Part #: XXXXXX REV X

1. ACCEPTANCE:

Supplier has read and understands this contract and agrees that Supplier's written acceptance or commencement of any work under this contract shall constitute Supplier's acceptance of these terms and conditions only. All terms and conditions proposed by the Supplier, which are different from or in addition to this order are unacceptable to Johnson Medtech, are expressly rejected by Johnson Medtech and shall not become a part of this order. Except as otherwise specifically provided herein, the terms of this Contract are exclusive and any modifications to this order shall only be made through an amendment by Johnson Medtech.

2. SCOPE OF ORDER:

This contract constitutes approval of tooling costs incurred and should reflect the tooling purchase order amount, or the actual costs incurred, whichever is less. At no time should the Supplier's invoice exceed the amount of the Tooling Purchase Order.

Final tool payments will not occur until the Supplier receives confirmation of PPAP review and acceptance. Final tool cost verification will depend on the completion, return, review and approval by the Johnson Medtech Quality representative. Johnson Medtech also requires a Tooling Summary Packet to be submitted. All tooling expenditures are subject to review of all quotes and invoices for the costs claimed.

Tooling Summary Packet must include:

- Tooling Summary (See Addendum A): Supplier Name, Part Number, Tooling Manufacturer, Tooling Manufacturer's Address, Detailed Tool Description, Detailed Tool Dimensions, Tool Weight and Johnson Medtech Tool Asset Tag # (provided).
- All Tools must be labelled with permanent tags indicating tool numbers and tool ownership provided to Supplier by Johnson Medtech.
- Photographs of all tools clearly showing required identification (See Addendum B).
- Invoices matched to quotations and aligned with purchase order issued.

To expedite payment, Tooling Summary should be completed and submitted as soon as possible.

3. ACQUISITION/FABRICATION OF TOOLING

To the extent that this Contract covers Johnson Medtech's purchase of, or reimbursement to Supplier for, any tooling, jigs, dies, gauges, fixtures, molds, patterns, equipment, supplies, materials and other items (collectively, "Tooling"), Supplier will construct, fabricate and/or acquire such Tooling and Johnson Medtech shall pay to or reimburse Supplier the lower of (i) the amount specified in the Tooling Purchase Order issued by Johnson Medtech for such Tooling or (ii) Supplier's actual out-of-pocket cost to acquire the Tooling from an unrelated third party or, if the Tooling is constructed or fabricated by Supplier or any affiliate of Supplier, the actual direct costs for materials, labor and overhead associated with such construction and fabrication. Supplier shall assign to Johnson Medtech any contract rights or claims in which Supplier has an interest with respect to such Tooling. Supplier shall provide a full cost breakdown which lists the details of all costs related to the Johnson Medtech Tooling such as, material cost, charges applying to designing and try out costs, tooling aids (patterns, tool or die models, templates, etc.), any overtime premiums, etc. which are part of the price shown on this purchase order. Johnson Medtech or its agents shall have the right to audit and examine all books, records, facilities, work, material, inventories and other items relating to any such Tooling. Upon Supplier's fabrication, construction and/or acquisition of such Tooling, title thereto shall vest immediately in Johnson Medtech and such Tooling shall be held as "Johnson Medtech Tooling" by Supplier in accordance with the provisions of this Contract.

4. BAILMENT OF JOHNSON MEDTECH TOOLING

All Tooling which Johnson Medtech furnishes, either directly or indirectly, to Supplier or which Johnson Medtech purchases from, agrees to purchase from and/or for which Johnson Medtech gives reimbursement to Supplier, in whole or in part, (collectively, "Johnson Medtech Tooling") will be and remain the property of Johnson Medtech and be held by Supplier on a bailment basis. Title to all replacement parts, additions, improvements and accessories purchased by Supplier will vest in Johnson Medtech immediately upon attachment to or incorporation into Johnson Medtech Tooling. Supplier specifically acknowledges that any Johnson Medtech Tooling held by Supplier on a bailment basis is not property of any bankruptcy estate for any bankruptcy case that is filed by or against Supplier. Bailee agrees to not remove the Johnson Medtech Tooling from Supplier's _____ facility located at _____ without Johnson Medtech's prior written consent. At all times during normal business hours, upon reasonable advance notice, Johnson Medtech shall have the right to enter the premises where the Johnson Medtech Tooling are located for purposes of inspecting the Johnson Medtech Tooling.

5. SUPPLIER'S DUTIES; INSPECTION; WAIVER OF LIENS; TAXES

While Johnson Medtech Tooling is in Supplier's possession and until Supplier delivers Johnson Medtech Tooling back to Johnson Medtech as required, Supplier bears the risk of loss, theft and damage to Johnson Medtech Tooling. Supplier will at all times: (a) regularly inspect, maintain in good condition, and repair Johnson Medtech Tooling at Supplier's own expense, (b) use Johnson Medtech Tooling only for the performance of this Contract, (c) deem Johnson Medtech Tooling to be personal property, (d) conspicuously mark Johnson Medtech Tooling as the property of Johnson Medtech with the Johnson Medtech Tooling marked at a minimum with the words, "PROPERTY OF JOHNSON MEDTECH" and maintain such markings. Supplier agrees to keep the Johnson Medtech Tooling free from any other markings or labeling which might be interpreted as a claim of ownership of a party other than Johnson Medtech, unless the removal of the markings or labeling of a third party violates any applicable law, (e) not commingle Johnson Medtech Tooling with the property of Supplier or with that of a third party, (f) not move Johnson Medtech Tooling from Supplier's applicable shipping location (as shown by the shipping address of Supplier) without prior written approval from an authorized employee of Johnson Medtech, and (g) use Johnson Medtech Tooling in compliance with Johnson Medtech's or the manufacturer's instructions and in compliance with all federal, state and local laws, ordinances and regulations. Johnson Medtech will have the right to enter Supplier's premises at all reasonable times to inspect Johnson Medtech Tooling and Supplier's records with respect thereto. Supplier will not sell, lend, rent, encumber, pledge, lease, transfer or otherwise dispose of Johnson Medtech Tooling. Furthermore, Supplier will not assert, or permit any person claiming an interest through Supplier to assert, any claims of ownership to or any other interest in Johnson Medtech Tooling. Supplier agrees not to grant a security interest in or otherwise encumber any of the Johnson Medtech Tooling. Upon Johnson Medtech's request, Supplier agrees to take any action to discharge any UCC-1 financing statements related to the Johnson Medtech Tooling arising out of Supplier's possession of the Johnson Medtech Tooling and/or assign such right to Johnson Medtech. Bailee acknowledges that the provisions of this paragraph are a bargained-for consideration essential to Johnson Medtech's agreement to bail and to Supplier's possession of the Johnson Medtech Tooling. As a continuing condition of Supplier's possession and/or use of Johnson

Medtech Tooling, Supplier, for itself and its successors and permitted assignees, shall ensure that no third party obtains any lien, including a mechanic's lien or statutory tooling lien, or other right in Johnson Medtech Tooling and hereby irrevocably waives and relinquishes, and agrees to obtain from any third party claiming any such lien or other right a written waiver and relinquishment of all rights, if any, to any lien or other right whatsoever with respect to Johnson Medtech Tooling. To the extent that any common law or statutory provision should be deemed applicable to Johnson Medtech Tooling and/or the Contract and should confer upon or create in favor of Supplier any lien, right or remedy, whether for work performed on or goods produced using Johnson Medtech Tooling, to the greatest extent permitted by law, Supplier, for itself and its successors and permitted assignees, hereby irrevocably waives and relinquishes any and all such liens, rights, and remedies, and agrees that its rights and remedies with respect to the Contract and Johnson Medtech Tooling are exclusively provided for this Contract. If any Johnson Medtech Tooling is stolen, damaged or destroyed regardless of cause or fault, Supplier will be responsible, in Johnson Medtech's sole discretion and in addition to any and all other rights and remedies it may have at law or in equity, for replacing or repairing such Johnson Medtech Tooling at Supplier's expense.

Supplier shall pay, before they become delinquent, all taxes and assessments upon the Johnson Medtech Tooling or for its use or operation, and pay and perform when due all indebtedness and obligations under all leases, land contracts or other agreements under which Supplier has possession of real property upon which the Johnson Medtech Tooling are at any time located and under any mortgage that at any time covers the real property.

6. RETURN OF JOHNSON MEDTECH TOOLING

Supplier agrees that Johnson Medtech has the right, at any time and from time to time, with or without reason and without payment of any kind, to retake immediate possession of or request the return of Johnson Medtech Tooling. Without further notice or court hearings, which rights, if any, are hereby waived, Johnson Medtech or its designee(s) will have the right to enter Supplier's premises and take possession of any and all of Johnson Medtech Tooling. Upon Johnson Medtech's request and in accordance with Johnson Medtech's instructions, Johnson Medtech's Property will be immediately released to Johnson Medtech or delivered to Johnson Medtech by Supplier, at Johnson Medtech's option, either (i) _____ (Incoterms 2010) at Supplier's plant properly packed and marked in accordance with the requirements of the carrier selected by Johnson Medtech to transport such Johnson Medtech Tooling or (ii) to any location Johnson Medtech designates, in which event Johnson Medtech will pay Supplier the reasonable costs of delivering Johnson Medtech Tooling to the location Johnson Medtech designates.

Supplier agrees to fully cooperate with Johnson Medtech in Johnson Medtech's taking possession of the Johnson Medtech Tooling when Johnson Medtech requests that Supplier surrender possession of the Johnson Medtech Tooling, including, but not limited to, facilitating and consenting to Johnson Medtech's immediate access to

Supplier's premises. Supplier shall do so whether Johnson Medtech is in default in payment or performance of any obligation of Johnson Medtech to Supplier. If Supplier impedes Johnson Medtech's right to possession of the Johnson Medtech Tooling in any manner whatsoever and Johnson Medtech files a proceeding to gain possession, In connection with any action or proceeding brought by Johnson Medtech to enforce its rights hereunder, Supplier acknowledges that Johnson Medtech shall not have an adequate remedy at law, that the Johnson Medtech Tooling are unique and that Johnson Medtech shall be entitled to specific performance of Supplier's obligations under this Agreement. Supplier acknowledges and agrees that Johnson Medtech shall incur significant damages if Supplier fails to timely satisfy its obligations to Johnson Medtech and Johnson Medtech's assembly plant operations and those of Johnson Medtech's customers shall be negatively impacted. Because Johnson Medtech does not have an adequate remedy at law and would be irreparably harmed by such events, Supplier agrees that Johnson Medtech shall be entitled to injunctive relief (both prohibitive and mandatory), including but not limited to requesting a temporary restraining order or claim and delivery, in connection with any violations by Supplier of any terms or conditions of this Agreement. Supplier acknowledges that Johnson Medtech shall suffer irreparable harm if Johnson Medtech invokes its rights hereunder and Supplier fails to cooperate with Johnson Medtech in allowing Johnson Medtech to exercise the rights provided to it under this Agreement. According, provided that Supplier receives at least twenty-four (24) hours actual notice of any request for hearings in connection with proceedings instituted by Johnson Medtech, Supplier hereby waives, to the fullest extent possible under applicable law, the right to notice in excess of twenty-four (24) hours in connection with any judicial proceedings instituted by Johnson Medtech to enforce the rights provided to it under this Agreement. Supplier shall pay for attorney fees and costs incurred by Johnson Medtech in connection with such proceeding.

7. DISCLAIMER OF WARRANTIES

To the extent that any Johnson Medtech Tooling is in the Supplier and/or its permitted subcontractor's possession, Supplier acknowledges and agrees that (i) Johnson Medtech is not the manufacturer of Johnson Medtech Tooling nor the manufacturer's agent nor a dealer therein, (ii) Johnson Medtech is bailing Johnson Medtech Tooling to Supplier for Supplier's benefit, (iii) Supplier is satisfied that Johnson Medtech Tooling is suitable and fit for its purposes, and (iv) JOHNSON MEDTECH HAS NOT MADE AND DOES NOT MAKE ANY WARRANTY OR REPRESENTATION WHATSOEVER, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS, CONDITION, MERCHANTABILITY, DESIGN OR OPERATION OF JOHNSON MEDTECH TOOLING OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. Johnson Medtech will not be liable to Supplier for any loss, damage, injury or expense of any kind or nature caused, directly or indirectly, by Johnson Medtech Tooling, including, without limitation, the use or maintenance thereof, or the repair, service or adjustment thereof, or by any interruption of service or for any loss of business whatsoever or howsoever caused, including, without limitation, any loss of anticipatory damages, profits or any other indirect, special or consequential damages and/or personal injury or death.

8. USE OF JOHNSON MEDTECH'S INFORMATION

Supplier will (i) keep all Johnson Medtech's Information (as defined below) confidential and disclose it only to Supplier's employees who need to know such Johnson Medtech's Information in order for Supplier to supply any Johnson Medtech Tooling to Johnson Medtech under this Contract and will not share it with any third parties without Johnson Medtech's prior written consent, and (ii) use the Johnson Medtech's Information solely for the purpose of supplying Johnson Medtech Tooling to Johnson Medtech. Johnson Medtech Tooling designed, manufactured and/or supplied based, in whole or in part, on Johnson Medtech's Information may not be used for Supplier's own use or sold by Supplier to third parties without prior express written consent from an authorized employee of Johnson Medtech. "Johnson Medtech's Information" means all information provided to Supplier by Johnson Medtech or its representatives or subcontractors in connection with the business, programs, Johnson Medtech Tooling covered by and/or otherwise related in any way to this Contract, including, without limitation, pricing and other terms of this Contract, specifications, data, formulas, compositions, designs, sketches, photographs, samples, prototypes, test vehicles, manufacturing, packaging or shipping methods and processes and computer software and programs (including object code and source code). Johnson Medtech's Information also includes any materials or information that contain, or are based on, any Johnson Medtech's Information, whether prepared by Johnson Medtech, Supplier or any other person. Supplier agrees to cause its employees, contractors, officers, directors, agents and representatives to be bound by and comply with the foregoing restrictions regarding the use of Johnson Medtech's Information.

9.

ORK IN PROGRESS

All Work in Progress (as defined below) shall be and remain the property of Johnson Medtech and be held by Supplier on a bailment basis, irrespective of the amount or value of progress payments, if any, then made by Johnson Medtech. Upon Supplier's acquisition, creation, or development of such Work in Progress, title thereto shall vest immediately in Johnson Medtech and such Work in Progress shall be

held as "Johnson Medtech Tooling" by Supplier in accordance with this Contract.

"Work in Progress" shall mean, at any time, the partially completed Johnson Medtech Tooling, any work in progress with respect to the same, any components, supplies, materials, or other items acquired by Supplier for the purpose of performing its obligations under this Contract, and any work subcontracted by Supplier in support of such performance of its obligations.

10. MAINTENANCE OF JOHNSON MEDTECH TOOLING; TOOLED CAPACITY REQUIREMENTS

Supplier will provide Johnson Medtech with a complete and comprehensive preventative maintenance plan for Johnson Medtech Tooling before final acceptance at Johnson Medtech's designated facility. The plan must include at least two (2) complete sets of maintenance and operating manuals for all Johnson Medtech Tooling purchased by Johnson Medtech, as well as a detailed bill of material. Supplier warrants to Johnson Medtech and its affiliates and their respective customers and their successors and assigns that the Johnson Medtech Tooling will operate safely at the below tooled capacity requirement.

Capacity: LCR: x,xxx / equivalent per week (5 days) MCR: x,xxx / equivalent per week (6 days)

Days Per Week: 5 days LCR, 6 days MCR

LCR/MCR - All suppliers to Johnson Medtech are expected to capacitize to the "lowest practical level" to meet LCR and current model service while providing 100% absolute certainty of supporting the MCR (LCR + 20%).

The Supplier's operating plan must demonstrate the ability to meet the weekly LCR (including downtime for preventative maintenance). The Supplier must also support the Maximum Capacity Rate without additional resources from Johnson Medtech, including additional tooling. Any operating plan that exceeds one production week to produce the weekly LCR and/or does not support the MCR must be approved by Johnson Medtech prior to the award of business.

From time to time, Johnson Medtech may provide Supplier with estimates, forecasts or projections of its future volume or quantity requirements for the Goods and/or the term of a program ("Projections"). Projections are not binding on Johnson E Medtech, and Johnson Medtech makes no representation, warranty, guaranty or commitment regarding any Projections.

Upon Johnson Medtech's request, Supplier will provide to Johnson Medtech a complete copy of all source code and other software-related information as is reasonably necessary for Johnson Medtech to maintain and support any software incorporated into the Johnson Medtech Tooling.

To the extent any of the Johnson Medtech Tooling purchased by Johnson Medtech under the Contract is in the possession of Supplier or Supplier's permitted assignee or subcontractor and, unless otherwise directed in writing by Johnson Medtech, Supplier and/or Supplier's permitted assignee or subcontractor will maintain such Johnson Medtech Tooling in the name of Johnson Medtech and for Johnson Medtech's benefit for at least fifteen (15) years following the end of production for the vehicle program for which such Johnson Medtech Tooling is used, and to the extent used for multiple vehicle programs, for at least fifteen (15) years following the end of production for the last end of production date out of all of the programs. Thereafter, the Johnson Medtech Tooling will be returned or disposed of in accordance with Johnson Medtech's written instructions.

12. SERVICE AND REPLACEMENT PARTS

Supplier shall make available to Johnson Medtech, for purchase at the prices set forth in the Contract, repair and replacement parts and service tools to properly support and maintain the Johnson Medtech Tooling for a period of _____ after the Johnson Medtech Tooling has been accepted by Johnson Medtech or such other period of time specified in the Contract.

13. REMEDIES AND INJUNCTIVE RELIEF

The rights and remedies reserved to Johnson Medtech in this Contract are cumulative with, and in addition to, all other or further remedies provided in law or equity. Supplier will reimburse Johnson Medtech for any direct, indirect, incidental, consequential or other damages (including lost profits) caused or required by Supplier's breach of this Contract. Supplier acknowledges and agrees that money damages would not be a sufficient remedy for any actual, anticipatory or threatened breach of this Contract by Supplier with respect to its timely delivery or return of Johnson Medtech Tooling to Johnson Medtech and that, in addition to all other rights and remedies which Johnson Medtech may have, Johnson Medtech shall be entitled to specific performance and injunctive or other equitable relief to enforce this Contract, without any requirement of a bond or other security to be provided by Johnson Medtech.

14. GOVERNMENT, SAFETY & ENVIRONMENTAL COMPLIANCE:

If Johnson Medtech requests, Supplier will promptly furnish to Johnson Medtech, in such form and detail Johnson Medtech directs: (a) a list of all materials and ingredients in the Johnson Medtech Tooling, (b) the amount of all materials and ingredients, and (c) information concerning any changes in or additions to the material and/or ingredients. Prior to the shipment of the Johnson Medtech Tooling, Supplier will furnish to Johnson Medtech and all carriers sufficient written warning and notice (including appropriate labels on the Johnson Medtech Tooling, containers and packing) of any hazardous or restricted material that is an ingredient or a part of any of the Johnson Medtech Tooling, together with all special handling instructions, safety measures and precautions as may be necessary to comply with applicable law, to inform Johnson Medtech and all carriers of any applicable legal requirements and to best allow Johnson Medtech and all carriers to prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the Johnson Medtech Tooling, containers and packing and will await Johnson E Medtech's written approval of shipment of such Johnson Medtech Tooling. Upon Johnson Medtech's request, Supplier will certify to Johnson Medtech in writing the origin of any ingredients or materials in the Johnson Medtech Tooling. Supplier will promptly provide, in writing, any information regarding the Johnson Medtech Tooling requested by Johnson Medtech so that it may comply in a timely manner with reporting requirements under applicable law with respect to consumer protection, "conflict minerals" or similar materials or ingredients, if any.

15. RISK OF LOSS; INSURANCE

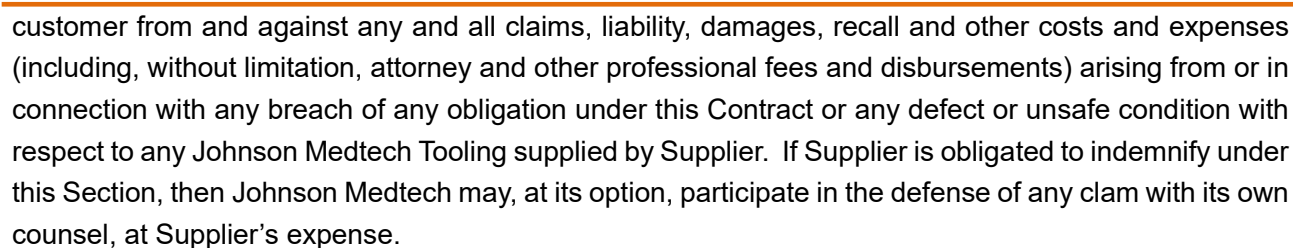
Supplier hereby assumes all risk of loss and damage to the Johnson Medtech Tooling from any cause whatsoever and Supplier shall maintain adequate insurance policies to cover the replacement cost of the Johnson Medtech Tooling with Johnson Medtech named as loss payee to the extent of the replacement value of the Johnson Medtech Tooling, including but not limited to general liability, fire and extended coverage insurance. Supplier shall provide to Johnson Medtech evidence of the required insurance coverage upon request.

16. INDEMNIFICATION

Infringement. Supplier will defend, hold harmless and indemnify Johnson Medtech and its customers, and their respective successors and assigns, against any claims of infringement (including patent, trademark, copyright, moral, industrial design or other proprietary rights, or misuse or misappropriation of trade secret) and resulting damages and expenses (including, without limitation, attorney and other professional fees and disbursements) relating to the Johnson Medtech Tooling covered by this Contract, including any claims in circumstances where Supplier has provided only part of the Johnson Medtech Tooling. Supplier waives any claim against Johnson Medtech that any such infringement arose out of compliance with Johnson Medtech's specifications. If Supplier is obligated to indemnify under this Section, then Johnson Medtech may, at its option, participate in the defense of any claim with its own counsel, at Supplier's expense. Supplier shall have the right to settle or compromise any suit, claim or proceeding at its discretion, provided that the terms of the settlement or compromise provide for the unconditional release of Johnson Medtech, and the settlement or compromise requires the payment of monetary damages only. Supplier shall not settle, without Johnson Medtech's prior written consent, any suit, claim or proceeding which imposes upon Johnson Medtech any obligation, or in any way prejudices the rights of Johnson Medtech, other than as set forth herein. Any other settlement or compromise requires prior written approval from Johnson Medtech.

Activities on Johnson Medtech's Premises. Supplier will defend, hold harmless, and indemnify Johnson Medtech from and against any liability, claims, demands, damages, costs or expenses (including, without limitation, reasonable attorney and other professional fees and disbursements) arising from or in connection with the performance of any service or work by Supplier or its employees, agents, representatives and subcontractors on Johnson Medtech's or Johnson Medtech's customer's premises or the use of the property of Johnson Medtech or any customer of Johnson Medtech, except to the extent such liability arises out of the negligence or willful misconduct of Johnson Medtech or Johnson Medtech's customer. If Supplier is obligated to indemnify under this Section, then Johnson Medtech may, at its option, participate in the defense of any claim with its own counsel, at Supplier's expense.

General. Supplier will defend, hold harmless, and indemnify Johnson Medtech and Johnson Medtech's



Johnson Medtech

Name: _____
Title: _____
Signature: _____

Name: _____

Title: _____

Signature: _____

Supplier

Name: _____
Title: _____
Signature: _____

Name: _____

Title: _____

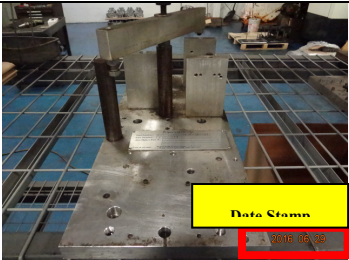
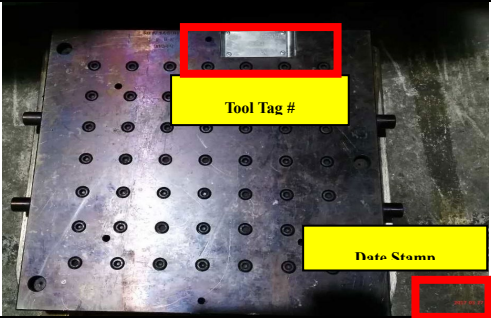
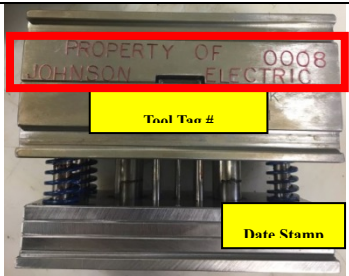
Signature: _____

Addendum A:

Tooling Summary Template

[illegible]

Addendum B:

CAMERA SET-UP		
	STEP	PICTURES
1.	Incorporate the setting shown below into your camera.	
2.	Set-up your camera so that a Date-Stamp appears on each picture.	
TAKING THE PICTURES		
	STEP	PICTURES
1.	Take a picture of the entire tool so that the location of the Tool Tag is visible.	
2.	Save as: (JPEG)	Tool Description: Machining Fixture Tool Tag #: 001
3.	Take a picture of only the tool tag.	
4.	Save as: (JPEG)	Tool Description: Machining Fixture Tag Tool Tag #: 001
5.	Include pictures in tooling summary packet and email packet to	Site Johnson Medtech Commodity Manager

	Johnson Medtech requestor.	
--	----------------------------	--