

LPAG NA PURCHASE ORDER TERMS AND CONDITIONS

Revision Date: November 12 , 2008

1. ACCEPTANCE ENTIRE AGREEMENT MODIFICATION. Acceptance of this order shall be limited to the terms and conditions contained herein and incorporated herein by reference only. This order shall be deemed accepted upon communication of order to Seller. Buyer rejects any additional or inconsistent terms and conditions offered by Seller at any time and irrespective of Buyer's payment for Seller's items or services. These terms and conditions, and Buyer's Supplier Manual, constitute the entire agreement between the parties and no change to or modification of this order shall be binding upon Buyer unless signed by an authorized representative of Buyer's purchasing office at Buyer's place of business issuing this order. Seller's commencement of work on the goods subject to this purchase order or shipment of goods, whichever occurs first, shall be deemed an effective mode of acceptance of this purchase order or shipment of goods, whichever occurs first, shall be deemed an effective mode of acceptance of this purchase order. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms contained on the face of any purchase order submitted by Purchaser and those terms contained herein.

2. MATERIAL, EQUIPMENT, TOOLS AND FACILITIES. Unless otherwise stated in this order, Seller shall supply all material, equipment, tools and facilities required to perform this order. Title to all property furnished to Seller by Buyer (including tools and dyes) or specifically paid for by Buyer, or the cost of which is fully or substantially amortized in the price of the items purchased hereunder, and any replacements therefore, or any materials affixed or attached thereto (all hereinafter collectively referred to as "Articles") shall be and remain in Buyer's custody, with the right to retake possession by Buyer at any time, and Seller will use said Articles only in the performance of work for Buyer. All Articles, while in Seller's custody or control or while in the custody or control of Seller's suppliers, will be held at Seller's risk, will be kept insured by Seller at Seller's expense against loss and damage in an amount equal to the cost of replacement and will be subject to removal at Buyer's written request in which event Seller, at its expense will prepare the Articles for shipment and will deliver them to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted. Seller will promptly notify Buyer of the location of Articles located in any place other than Seller's plant. Seller will maintain accountability and property control of Articles in accordance with sound industrial practice. Seller, at its expense, will maintain all Articles in good condition and repair or replace them to the extent necessary for performance of this order. Upon completion or termination of this order all Articles will be retained by Seller at its expense until disposition directions are received from Buyer. Seller will pay personal property taxes on Articles in its possession. In addition, Seller agrees: (i) to assign to Buyer each invention, discovery or improvement (whether or not

patentable) that is conceived or first reduced to practice by Seller, or by any person employed by or working under the direction of Seller, in the performance of this order; (ii) to promptly disclose in an acceptable form to Buyer all such inventions, discoveries or improvements and to cause its employees to sign any papers necessary to enable Buyer to obtain title to and to file applications for patents throughout the world; and (iii) to the extent that this order is issued for the creation of copyrightable works, that the works will be considered "works made for hire," and to the extent that the works do not qualify as such, to assign to Buyer upon delivery thereof all right, title and interest in all copyrights and moral rights therein.

3. DRAWINGS AND SPECIFICATIONS. All drawings, data, designs, engineering instructions, models, specifications of other technical information written, oral or otherwise ("Designs"), supplied by or in behalf of Buyer or prepared by Seller specifically in connection with performance of this order (hereinafter designated "Information") shall be and remain the property of Buyer. Seller shall not use or disclose such Information except in the performance of orders for Buyer and upon Buyer's request such Information and all copies thereof shall be returned to Buyer. Where such Information is furnished to Seller's suppliers for procurement of supplies by Seller for use in the performance of Buyer's orders. Seller shall insert the substance of this provision in its order. All Designs which have been furnished by Buyer to Seller or which have been specially created or developed for Buyer by Seller ("Special Features") shall be the property of Buyer and shall be used by Seller only in the products manufactured for Buyer. Buyer may obtain such legal protection as may be available for the Special Features including, without limitation, patents, design patents, copyrights and trademarks. Seller shall execute any and all instruments deemed by Buyer to be necessary or desirable to obtain such protection in all countries of the world.

4. COST

- A. Prices charged for Goods listed on the Order are not subject to increase, including specifically any increase based upon changes in raw material or component pricing, labor or overhead, unless specifically agreed to by Purchaser on the face of an Order amendment or in a Signed Writing by Purchaser's Vice President - Purchasing.
- B. Seller represents that the price charged to Purchaser for Goods is at least as low as the price charged by Seller to buyers of a class similar to Purchaser under conditions similar to those specified in the Order and that all prices comply with all applicable governmental laws and regulations in effect at the time of quotation, sale and delivery. Seller agrees that any price reduction implemented by Seller for any Goods or related charges will apply to all

shipments of such Goods under the Order or any Order amendment from and after Seller's implementation of the price reduction.

- C. Seller shall ensure that the price charged to Purchaser for Goods remains competitive with the price for similar goods available to Purchaser from other sellers.
- D. Seller agrees to participate in Purchaser's cost savings and productivity programs and initiatives and to implement Seller's own cost savings and productivity programs and initiatives to reduce Seller's costs.

5. **CHANGES** Buyer may at any time, by a written order, without notice to the sureties if any, make changes in any one of more of the following: (i) drawings, designs or specifications, where the items to be furnished are to be specially manufactured for Buyer in accordance therewith; (ii) method of shipment or packing; (iii) place or time of inspection, delivery, or acceptance; and (iv) the amount of any Buyer furnished property. If any such change causes an increase or decrease in the cost of or time required for performance of this order and equitable adjustment shall be made in the price or delivery schedule or both. Where the cost of property rendered obsolete or excess as the result of change is included in Seller's claim for adjustment, Buyer will have the right to take title thereto and prescribe the manner of disposition thereof. Nothing in this clause shall excuse Seller from proceeding with performance of this order as changed.

6. **STOP WORK ORDERS.** Buyer may at any time by written order stop all or any part of the work under this order. At any time during such period Buyer may, with respect to all or any part of the work covered by the stop work order, either cancel the stop work order or terminate the work in accordance with subparagraph A or B of the termination clause of this order, to the extent the stop work order is canceled, Seller shall resume work. If a stop work order has a material effect on cost or delivery, an adjustment shall be made in the price (excluding profit) or delivery schedule or both; provided that no adjustment in price or delivery shall be made under this provision (i) if the work would have been otherwise interrupted or delayed or (ii) for which an adjustment is available or excluded under any other provision of this order. No claim for adjustment shall be allowed unless submitted to Buyer in writing in an amount stated within twenty (20) working days after the work is terminated or the stop work order is cancelled.

7. **DELIVERIES AND SHIPMENTS. TIME IS OF THE ESSENCE IN MAKING DELIVERIES UNDER THIS ORDER.** If delivery is to be in accordance with Buyer's written releases, Seller shall not procure, fabricate, assemble or ship an item except to the extent authorized by Buyer in such written releases. Seller will at its sole expense ship by express or air shipment by the most expeditious way if the delivery schedule is endangered. Unless otherwise specified on the face of this order no variation in the quantity of any items is authorized and Buyer may reject a delivery that varies in the quantity authorized for shipment. The

efficient use by Buyer of any item called for under this order requires that Data (as hereinafter defined), if any, be delivered not later than the time specified in this order. If such Data is not so delivered Buyer may, at its election, so long as such Data remains undelivered, withhold payment to Seller for any item theretofore or thereafter delivered. The term "Data" will include, without limitation, drawings, reproductions, specifications, photographs, reproducible copies, parts, lists, plans, reports, computations and certifications. All items are to be suitably prepared for shipment and must be packed and shipped in accordance with the governing classification and tariffs applicable thereto. Items shipped in advance of Buyer's delivery schedule may be, at Buyer's sole discretion, returned or placed in storage at Seller's expense. Seller shall give notice of shipment to Buyer at time of delivery of any shipment of items to a carrier for transportation to a destination other than Buyer's place of business issuing this order.

8. **INSPECTION, QUALITY CONTROL AND REPLACEMENT PRODUCTS.** Notwithstanding (i) payment, (ii) passage of title, or (iii) prior inspection or tests, all items are subject to final inspection and acceptance or rejection at destination stated herein. At all reasonable times during the period of Seller's performance hereunder, including the period of manufacture, Buyer and its customers may inspect and/or test the items to be furnished hereunder at the plants where the work is being performed, including those of Seller's suppliers, and Seller shall provide, without additional charge, reasonable facilities and assistance for safe and convenient inspection and test. All such inspections and tests shall be conducted in such a manner as not to unduly delay the work. Seller shall provide and maintain quality control and inspection systems acceptable to Buyer. For five years after the expiration of Seller's warranty as described in these terms and conditions, Seller will supply Buyer with replacement materials, goods and component parts for the goods purchased under this order that are the same as the materials, goods and component parts and materials that Buyer purchases under this order. Such replacement items will be sold to Buyer at the price(s) set forth in this order, or, if no price is given in this order at the lower of: (i) the price of the item as last sold to Buyer, or (ii) a price reasonably acceptable to the parties; plus any actual cost differential for special packaging.

9. **PAYMENT TERMS.** Payment terms will be set for Seller based on Leggett & Platt Payment Terms, Leggett & Platt payment terms are net 60 days. If a payment date falls on a non-business day, payment will occur on the following business day.

10. **WARRANTY.** Seller warrants to Buyer, its successors and customers that all items furnished (including all replacement items and all replacement or corrected components which Seller furnished pursuant to this warranty) will be free from defects in material and workmanship and will conform to applicable drawings (both two dimensional and three dimensional), specifications, samples and any other description furnished or specified by Buyer and, to the extent such items are not of a detailed design furnished by Buyer will be merchantable, suitable for

the intended purposes and free from all other defects in design.

It shall be Seller's responsibility to determine if any defect exists in or with respect to any drawings (two or three dimensional), specifications, samples, or any other description furnished or specified by Buyer, or if there is any inconsistency between or among any drawings (two of three dimensional), specifications, samples, or any other description furnished or specified by Buyer, and Seller bears the responsibility to notify Buyer of any such defect before proceeding further, as well as bearing any costs incurred relating to such defect until notice is given and further approved modifications have been implemented.

The warranty period provided by applicable law applies, except that if Buyer or Buyer's customer offers a longer warranty to end-users for products purchased hereunder, the longer period will apply.

Buyer's approval of Seller's samples or first articles shall not be construed as a waiver by Buyer of any requirement of any drawings, specifications, and/or other descriptions applicable hereto or of any other express or implied warranty.

11. DEFECTIVE OR NON-CONFORMING ITEMS/BREACH OF WARRANTY. In the event of Seller's delivery of defective or non-conforming items or Seller's breach of warranty, Buyer may, at its election and in addition to any other rights of remedies it may have a law or equity or under this order, recover from Seller any direct or indirect costs of removing such items from any property, equipment or products in which such items have been incorporated and any additional costs of reinstallation, re-inspection and re-testing and (i) return the items at Seller's risk and expense and recover from Seller of the price paid therefore and, if elected by Buyer, purchase or manufacture similar items and recover from Seller the costs and expenses thereof, (ii) accept or retain the items and equitably reduce their price or (iii) require Seller, at Seller's expense, to promptly replace or correct the items and, pending redelivery, to repay to Buyer any amount paid for such items. If Seller fails to promptly replace or correct such items as directed by Buyer, Buyer may, at its sole discretion, repair them or have them repaired at Seller's expense or purchase or manufacture similar items and recover from Seller the costs and expenses thereof.

12. TERMINATION

A. Or performed and accepted by Buyer, or completed in accordance with the provisions of this order prior the effective date of termination and (ii) the actual materials and labor costs incurred which are directly allocable to the uncompleted products not useable or saleable as part of other products for sale to third parties. Seller may, with Buyer's written consent, retain at an agreed price or sell at an approved price any completed item or any items, work in process or other physical inventory, the cost of which is allocable or apportionable to this order under the preceding sentence, and will credit or pay the amounts so agreed or

received as Buyer directs, with appropriate adjustment of delivery cost savings. Seller will, if directed by Buyer, transfer title to and make delivery of any such items, work in process or other physical inventory not so retained or sold.

B. Buyer reserves the right to terminate this order in whole or in part for default (i) if Seller fails to perform in accordance with any of the requirements of this order or to make progress so as to endanger performance hereunder or (ii) if Seller becomes insolvent or suspends any of its operation or if any petition is filed or proceeding commenced by or against Seller under any federal, provincial, state or local law relating to bankruptcy, arrangement, reorganization, receivership and assignment for the benefit of creditors. Any such termination will be without liability to Buyer except for completed items delivered and accepted by Buyer, payment for which can be set off against any damages incurred by Buyer. Buyer may require Seller to transfer title and deliver to Buyer any or all property produced or procured by Seller for performance of the work terminated and Seller shall be credited resulting from its default including but not limited to excess costs or re-procurement. If, after a termination under this subparagraph B, it is determined that Seller was not in default, the termination shall be considered to have been made pursuant to subparagraph A of this clause.

C. If Buyer determines, in its sole discretion, that Seller has become non-competitive with respect to one or more of the items provided under this order on either a local or global basis, Buyer will notify Seller and Seller will have 30 days from the time of the notification to meet the competitor's pricing. If Seller cannot meet the competitive pricing requirements, then Buyer reserves the right to immediately resource all or part of the order with another provider in its sole and absolute discretion.

D. To the extent this order is not terminated pursuant to subparagraphs A, B or C above, Seller shall continue performance.

13. EXCUSABLE DELAYS/FORCE MAJEURE. Neither party shall be in default for any delay or failure to perform hereunder due to causes beyond its control and without its fault or negligence; provided that in the event any delay or failure to perform caused by the default of a supplier of Seller at any lower tier is beyond the control of both Seller and such supplier and is without the fault or negligence of either such party, and provided further that the items to be furnished are not obtainable from other source in sufficient time to permit Seller to meet the delivery schedule and Seller furnishes prompt written notice to Buyer of the occurrence of any such cause which will or may delay Seller's performance. Delays due to labor disputes shall not be considered events of excusable delay/force majeure.

14. NOTICE OF LABOR DISPUTES. Whenever Seller has knowledge that any actual or potential disputes are delaying or threatening to delay the timely performance of this order, Seller shall immediately give notice thereof, including all relevant information with respect thereto, to Buyer. Seller

also agrees to notify Buyer no later than forty-five (45) days prior to the expiration or other termination of any of Seller's, or its subcontractor's, labor agreements. Seller agrees to insert the substance of this clause, including the sentence, in any purchase order or subcontract of Seller hereunder.

15. **PATENT TRADEMARK AND COPYRIGHT INDEMNITY.** Seller shall indemnify Buyer from any and all damages and costs finally awarded for infringement of any patent, trademark or copyright in any suit by reason of the sale or use of any product sold to Buyer hereunder, and from reasonable expense incurred by Buyer in defense of such suit if Seller does not undertake the defense thereof, provided that Seller is notified of any such suit. Seller's liability for damages hereunder is limited to those computed solely on the value of any product sold to Buyer hereunder. Seller shall also indemnify Buyer's customers and agents for such infringement if and to the extent that Buyer has agreed so to indemnify them, but to no greater extent than Seller has indemnified Buyer herein and under the same conditions as set forth herein. The above is in lieu of any other indemnity or warranty express or implied with respect to patents, trademarks or copyrights.

16. **INDEMNIFICATION AND INSURANCE.** Seller will indemnify and save harmless Buyer, its employees, agents and invitees from and against all liability, demand, claim, loss, cost, damage and expense by reason or on account of property damage, death and personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with the performance of this order which is occasioned by the actions or omissions of Seller or its suppliers. Seller will maintain and carry liability insurance which includes but is not limited to employer's liability, workmen's compensation, general liability, property damage liability, product liability, completed operations liability and contractual liability in amounts set forth in this purchase order, with carriers approved by Buyer, and if no amounts are set forth, then in amounts acceptable to and approved by Buyer but in no event shall such amounts be less than minimum statutory requirements, if any. Seller will, if requested by Buyer furnish certificates of insurance indicating the foregoing coverage.

17. **CUSTOMS AND COMPLIANCE WITH LAWS.** Credits or benefits resulting from this order, including trade credits, export credits or the refund of duties, taxes, or fees, belong to Buyer. Seller will provide all information and certificates (including NAFTA Certificates of Origin) necessary to permit Buyer (or Buyer's customers) to receive these benefits or credits. Seller agrees to fulfill any customs- or NAFTA-related obligations, origin marking or labeling requirements, and local content origin requirements. Export licenses or authorizations necessary for the export of products purchased hereunder are Seller's responsibility unless otherwise stated in this order, in which case Seller will provide the information necessary to enable Buyer to obtain the licenses or authorizations. Seller will promptly notify Buyer in writing of any material or components used by Seller in filling this order that Seller purchases in a country other than the country in which the purchased goods are delivered ("Supplies"). Seller will furnish any

documentation and information necessary to establish the country of origin or to comply with the applicable country's rules of origin requirements. Seller will promptly advise Buyer of any material or components imported into the country of origin and any duty included in the Supplies' purchase price. If Supplies are manufactured in a country other than the country in which Supplies are delivered, Seller will mark Supplies "Made in [country of origin]." Seller will provide to Buyer and the appropriate governmental agency the documentation necessary to determine the admissibility and the effect of entry of Supplies into the country in which Supplies are delivered. Seller warrants that any information that is supplied to Buyer about the import or export of Supplies is true and that all sales covered by this order will be made at not less than fair value under the anti-dumping laws of the countries to which the Supplies are exported. Seller shall comply with all federal, provincial, state and local laws, order, rules and regulations during performance of this order. In the event this order is performed in whole or part in the U.S. Seller agrees to include on all invoices; **"We hereby certify that these goods were produced in compliance with all applicable requirements of order of the United States Department of Labor issued under Section 14 thereof (29 U.S.C 206, 207, 212, and 214)."** Seller agrees to indemnify and hold Buyer and its customers harmless for any loss, damage or expenses sustained because of Seller's noncompliance with an applicable law.

18. **CASH DISCOUNT PERIODS.** Cash discount periods will be computed from either the day of delivery and acceptance of the items ordered or the date of receipt of correct and proper invoices prepared in accordance with the terms of this order, whichever is later.

19. **DESIGN CHANGES.** During performance of this order, Seller shall not make any changes in the design of items to be furnished by Seller under this order without advance notification to and approval by Buyer.

20. **ASSIGNMENT.** Any assignment of this order, performance of work hereunder in whole or in part or monies due or to become due hereunder shall be void unless consented to by Buyer in writing and Buyer shall have no obligations to any assignees or Seller under any assignment not consented to in writing by Buyer.

21. **RIGHTS AND REMEDIES OF BUYER.** The rights and remedies of Buyer set forth herein shall be in addition to any other rights and remedies provided in law or equity and the failure of delay by Buyer to exercise any rights or remedies under this order shall not operate as a general waiver thereof. At Buyer's request, Seller will reimburse Buyer for any incidental, indirect, punitive or consequential damages caused by nonconforming products or services, including without limitation costs, expenses and losses incurred directly or indirectly by Buyer or its customer(s): (i) in inspecting, sorting, repairing or replacing the nonconforming products or services; (ii) resulting from production interruptions; (iii) conducting recall campaigns or other corrective service actions; or (iv) resulting from personal injury (including death) or property damage caused by the

nonconforming products or services. Consequential damages include reasonable professional fees incurred by Buyer.

22. **CHOICE OF LAW.** Unless otherwise stated herein, the construction, interpretation and performance hereof and all transactions hereunder shall be governed by the law of the state of Missouri, without regard to principles of conflict of law, including, without limitation, the Uniform Commercial Code as in effect in the state of Missouri. All actions or proceedings arising out of or relating to this order shall be litigated in courts, as selected at Buyer's absolute discretion, having situs within Missouri, United States. Buyer consents and submits to the jurisdiction of any court located in such state.

23. **DISPUTES.** Except as otherwise specifically provided in this order, any dispute concerning a question of fact and/or law arising under this order which is not disposed of by agreement of the parties shall be decided by a court of competent jurisdiction. Pending settlement or final decision of any such dispute, Seller shall proceed diligently with the performance of this order in accordance with the direction of Buyer.

24. **SUBCONTRACTING.** Seller agrees not to subcontract for any complete or substantially complete materials, supplies and/or services called for by this order without the prior written approval of Buyer.

25. **EQUAL OPPORTUNITY AFFIRMATIVE ACTION.** To the extent this order is performed in the United States and unless otherwise exempt under rules and regulations of the U.S. Secretary of Labor, Seller agrees to comply during performance of this order with following clauses as set forth in the indicated Code of Federal Regulations reference, Equal Opportunity / 41 CFR Part 60-1.4; Affirmative Action for disabled Veterans and Veterans of the Vietnam era / 41 CFR Part 60-250.4 and Affirmative action for Handicapped Worker / 41 CFR Part 60-740.4.

26. **RELEASE OF INFORMATION TO PUBLIC.** Seller shall not, without the prior consent of Buyer, make any release of information concerning this order (other than to Seller's employees and subcontractors which is required for the performance of their duties) nor use the name of Buyer in any advertising or publicity.

27. **CONFIDENTIALITY.** Seller acknowledges that proprietary and confidential information will be received from Buyer or developed for Buyer under this order. Regardless of whether such information is marked or identified as confidential, Seller agrees to keep all proprietary or confidential information of Buyer in strictest confidence, and further agrees not to disclose or permit disclosure to others, or use for other than the purpose of this order, any proprietary and confidential information of Buyer. Following the expiration or termination of this order, upon Buyer's request, Seller will promptly deliver to Buyer any and all documents and other media, including all copies thereof and in whatever form that contain or relate to Buyer's confidential or proprietary information. Seller's obligations

under this Section will continue for a period of seven (7) years from the date of disclosure of information covered by this Section. The restrictions and obligations of this Section will not apply to information that: (i) is already publicly known at the time of its disclosure by Buyer; (ii) after disclosure by Buyer becomes publicly known through no fault of Seller; or (iii) Seller can establish by written documentation was properly in its possession prior to disclosure by Buyer or was independently developed by Seller without use of or reference to Buyer's information. Notwithstanding anything to the contrary in these Terms, any confidentiality or non-disclosure agreement between the parties that predates this order will remain in effect except as expressly modified by this order, and to the extent of a conflict between the express terms of such an agreement and this Section, the terms of that agreement will control.

28. **SURVIVAL.** The obligations of Seller to Buyer survive termination of this order, except as otherwise expressly provided herein.