TERMS AND CONDITIONS

Unless this Purchase Order expressly provides otherwise, it is limited to the terms and conditions set forth herein. Buyer hereby objects to any additional or different terms and conditions proposed by Seller in any proposal, quotation, acknowledgment or other document. Any such proposed terms and conditions shall be void and the terms and conditions herein shall constitute the complete and exclusive statement of the terms and conditions of the contract between the parties. When used in this Purchase Order, the term "Goods" means the items, materials, equipment, tooling, parts and/or work or services supplied pursuant to this Purchase Order.

1. ACCEPTANCE AND MODIFICATIONS. This Purchase Order ("Order"), whether or not issued with reference to a quotation or proposal of Seller, shall constitute an offer. Acceptance by Seller is expressly limited to the terms and conditions hereof and is evidenced by commencement of performance. No changes or modifications in this Order shall be valid unless confirmed in writing by Buyer.

2. PACKING AND TRANSPORTATION. No charge for packing or transportation will be allowed except as provided for in this Order.

3. SHIPMENT/DELIVERY Seller shall ship/deliver Goods in accordance with instructions and specifications set forth in this Order. If Goods are not shipped/delivered in accordance with Buyer's instructions and specifications, Seller shall be responsible for any additional costs incurred by Buyer as a result of Seller's failure to comply with such instructions and/or specifications.

4. DUTY DRAWBACK RIGHTS. This Order includes all related customs duty and import drawback rights (including rights developed by substitution and rights which may be acquired from Seller's suppliers) if any, which Seller can transfer to Buyer. Seller shall inform Buyer of the existence of any such rights and upon request, supply such documents as may be required to obtain such drawback.

5. PAYMENT. Unless otherwise stated in this Order, invoices for Goods shall be paid net 30 days from the date of receipt of the invoice or receipt of the Goods, whichever is later ("Payment Due Date"). Discounts offered by Seller to Buyer shall be allowed if payment is made on or before the Payment Due Date.

6. EXCESS GOODS. Except for customary quantity variations recognized by trade practice, Goods in excess of those specified in the Order will not be accepted, and such Goods will be held at Seller's risk. Buyer shall have no obligation to keep or preserve any excess Goods delivered by Seller. Buyer may, and at Seller's request shall, return the excess Goods at Seller's risk, and all transportation charges, both to and from the original destination, shall be paid by Seller.

7. FABRICATION AND MATERIAL COMMITMENTS. Unless otherwise authorized in writing by Buyer, Seller shall not make commitments for materials or fabricate or assemble in advance of time reasonably necessary to comply with the terms of this Order.

8. TERMINATION. Buyer may terminate this Order for its convenience , in whole or in part, by written or electronic notice at any time. If this Order is terminated for convenience, any claim of Seller shall be settled on the basis of reasonable costs incurred by Seller in the performance of this Order for labor and materials which are not usable by Seller for other goods it manufactures. Materials for which Seller is reimbursed shall become the property of Buyer and be surrendered to it upon Buyer's request. Seller shall safeguard and shall not destroy such materials without Buyer's consent.

9. DELAYS. If Seller fails or refuses to proceed with this Order ,or if Seller fails to make delivery, or Buyer refuses to accept delivery in accordance with the delivery schedule, the other party may cancel the then remaining balance of this Order unless the delay is an "excusable delay" as hereinafter defined. An "excusable delay" shall not constitute a default under this Order. The term "excusable delay" as used in this section means any delay in making or accepting deliveries which results without fault or negligence on the part of the party involved and which is due to causes beyond its control including, without limitation, acts of God or of irresistible force, any legal provision or order issued by Government or any other act of Government, fires, floods, epidemics, quarantine restrictions, unusually severe weather, and delays of a party's supplier due to such causes. For greater certainty, "excusable delay" does not include any strike, lock-out, labor dispute or inability to obtain labor, utilities, services or raw materials. Each party shall promptly notify the other of any such delay and the cause thereof.

10. INSPECTION AND ACCEPTANCE. Buyer, at its option, may inspect and/or test the Goods at Seller's plant, off site, and/or the point of destination. Buyer shall have the right to monitor Seller's inspection, quality and reliability procedures and review the data supporting same. Acceptance of the Goods by Buyer shall not relieve Seller from any of its obligations and warranties hereunder. In no event shall payment or transfer of title constitute acceptance of the Goods.

11. QUALITY AND WARRANTY. Seller expressly warrants that all Goods covered by this Order will conform to the standards, specifications, drawings, samples, models, 3-D geometry or other description furnished or expressly adopted by Buyer, and will be of good material and workmanship, and free from defects, including defect in design (if Seller's design) and, if custom-designed by Seller for the application specified by Buyer, be comparable in quality to similar custom-designed goods sold for similar applications, and if the Goods are not ordered to Buyer's specifications, Seller further warrants that they will be of merchantable quality and fit and sufficient for the purpose intended. Seller further warrants that all Goods covered by this Order, including but not limited to components and material furnished for or incorporated into the Goods, including Goods intended for distribution as service parts, will comply with all applicable Federal, State, Provincial and local statutes, laws, regulations, orders, and ordinances, including, without limitation, all environmental and occupational health and safety laws and industry standards and Buyer's specifications that restrict or prohibit certain chemical compounds as constituents of Goods as specified in the John Deere Banned Chemical List. The John Deere Banned Chemical List is found at:

http://jdsupply.deere.com/bannedchemicals/

Seller also warrants that its processes shall comply with the John Deere Quality Manual and that the Goods will comply with all current industry safety standards, including labeling requirements and adequate warnings as required. The John Deere Quality Manual is found at:

http://jdsupply.deere.com/qualitymanual/

12.DEFECTIVE GOODS. If any of the Goods fail to meet the warranties contained in Section 11 (a "Nonconformity"), Seller shall, upon notice from Buyer, promptly correct or replace those Goods at Seller's expense. If Seller shall fail to adequately address the Nonconformity, then Seller shall reimburse Buyer for all costs to correct or replace the Nonconformity in the Goods. If Seller fails to do so, Buyer may cancel this Order as to all such Goods, and in addition, may cancel the then remaining balance of this Order. After notice to Seller, all such Goods will be held at Seller's risk. Buyer may, and at Seller's direction shall, return such Goods to Seller at Seller's risk, and all transportation charges, both to and from the original destination, shall be paid by Seller. Any payment for such Goods shall be refunded by Seller unless Seller promptly corrects or replaces the same at its expense. If any field problem occurs as a result of a Nonconformity in the Goods and is sufficiently serious and widespread to threaten Buyer's marketing of its end product or Buyer's reputation, or poses a previously unforeseen safety hazard or causes any governmental agency, including, without limitation, a governmental consumer product safety agency or Federal Agency of Consumer's Protection or the United States Consumer Products Safety Commission, to require a change in Buyer's end product, such that a recall or Product Improvement Program (a "PIP") is a reasonable corrective action, Seller shall pay forthwith to Buyer all costs and expenses reasonably incurred by Buyer in taking such corrective action. If the corrective action is necessary in part because of a Nonconformity in the Goods provided, and in part because of an act or omission of Buyer, said costs and expenses shall be allocated between the parties pro rata according to their respective percentage of fault.

13. MANUFACTURING CHANGES. Seller shall give Buyer not less than sixty (60) days prior, written notice of any specification, design, part number or other identification changes, or any major changes in process or procedure or changes in the location of the manufacturing plant or place where Seller performs any of its obligations under this Order if any such changes may affect the Goods.

14. INDEMNIFICATION. Seller shall protect, defend, hold harmless and indemnify Buyer its subsidiaries, affiliates, authorized dealers and distributors and their officers, directors, employees, agents, successors, assigns, and customers, from and against any and all claims, suits, allegations, judgments, actions, liabilities, losses, damages, costs and expenses, including, but not limited to, attorneys' fees and expenses (the "Loss") arising out of, resulting from, related to or associated with:

a) injury, loss or damage of any nature or kind claimed by a third party, and caused by or arising from, or alleged to have been caused by or arising from, or existing because of, infringement or alleged infringement, of any patent or copyright, or wrongful use of third-party trade secrets or proprietary information, for or on account of the manufacture, sale, offer for sale, or use of any Goods, except in the case where Seller's compliance with specifications prescribed by and originating with Buyer constitutes the sole basis of such infringement, alleged infringement, or wrongful use. If the use or sale of any Goods furnished hereunder is enjoined as a result of such suit, Seller, at its option and at no expense to Buyer, shall obtain for the party to be indemnified (including Buyer's customers, if applicable) the right to use and/or sell the Goods or substitute acceptable equivalent Goods and extend this indemnity thereto;

b) Seller's negligence, strict liability or other claim involving the design, manufacture, material and/or workmanship of the Goods or the warnings or lack thereof;

c) Seller's breach of this Order; or

d) Seller's possession, use, repair or maintenance of the Property under Section 17.

15. INDEMNIFICATION PROCEDURE. Failure of Buyer to discover and /or remedy the act(s) or omission(s) in Section 14 shall not excuse Seller from this obligation. Buyer shall promptly notify Seller in writing of the Loss. Buyer shall cooperate in, but not be responsible for the investigation and defense of the action in respect of the Loss or for any costs and expenses associated therewith. Should Seller fail to assume its obligation hereunder, Buyer shall have the right, but not the obligation, to defend itself and to thereafter require Seller to reimburse and indemnify Buyer for any and all costs and expenses, including legal fees, paid by Buyer in connection therewith. Any insurance maintained by Seller as required by the terms of this Order shall in no way be interpreted as relieving Seller of any responsibility under this section. Sections 14 and 15 shall survive termination, cancellation or expiration of this Order.

16. INSURANCE REQUIREMENTS. Seller will maintain insurance coverage and will provide proof of insurance coverage as require Buyer upon request. Such insurance coverage shall be obtained and maintained at the sole cost and expense of Seller from an internationally recognized insurance company authorized to operate in the place in which the Goods are transiting by and the place to which the Goods are shipped. Such insurance coverage shall include at least (i) risks derived from commercial general liability, (ii) risks of transportation of the Goods, and (iii) general civil liability of Buyer and Seller arising out of acts and/or omissions with respect to damage, loss, injury to third parties that occur in connection with the Goods. The minimum coverage that the insurance policies shall have, shall be, at least, the standard amount granted for each particular occurrence by the insurance company so selected.

17. BAILMENT. Machinery, equipment, tools, jigs, dies, patterns, drawings, specifications and samples furnished to Seller by Buyer on other than a charge basis, or which are separately billed to Buyer ("Property"), shall be held by Seller as bailee. Upon the completion of this Order, all such Property shall be returned to Buyer or otherwise satisfactorily accounted for by Seller. Seller, at its expense, shall insure all such Property for the reasonable value thereof against loss or damage of any kind.

18. CERTIFICATION.[FOR SELLERS LOCATED IN THE U.S. ONLY] Seller hereby certifies that it will fully comply with Executive Order 11246, as amended by Executive Order 11375, Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, as amended, Executive Order 11625, as amended, and Executive Order 13201 and the rules and regulations issued thereunder which are incorporated by reference as appropriate. Seller commits itself to such compliance by acceptance of this Order.

19. Utilization of Small Business Concerns.[FOR SELLERS LOCATED IN THE U.S. ONLY] For purchases in excess of $550,000, Seller (unless it is a small business concern) hereby certifies that it will adopt a subcontracting plan that fully complies with the requirements of FAR 52.219-9.

20. APPLICABLE LAWS. Seller, in the performance of this Order, shall comply with all applicable Federal, State, Provincial and local statutes, laws, regulations, order and ordinances and agrees, upon request, to furnish a certificate to such effect in such form as Buyer may from time to time require. The UN Convention on Contracts for the International Sale of Goods is hereby specifically excluded from this Order. **[FOR SELLERS LOCATED IN THE U.S. ONLY:** Seller, in the performance of this Order, shall comly with the provisions of the United States Fair Labor Standards Act of 1938, as amended.

This order and the rights and obligations of the parties hereunder, shall be construed and interpreted in accordance with the laws applicable in Mexico. Likewise, the parties expressly agree to submit to the jurisdiction of the Courts sitting in, the city of **Monterrey, Nuevo León],** and hereby expressly waive all rights to any other jurisdiction to which they may now or hereafter have by reason of its present or subsequent domiciles, or otherwise.

21. PACKAGING AND LABELING LAWS. Seller shall package, transport and label the Goods and their containers in accordance with all applicable federal, state, provincial and local packaging, shipping and labeling laws and regulations in effect in the place to which the Goods are shipped or as specified otherwise by Buyer. In absence of laws regulating the labeling of hazardous substances, Seller shall label such substances or their containers in accordance with WARNING LABELS, MANUAL, L-1, published by the Manufacturing Chemists Association, Washington, D.C. or any ANSI or similar standard enacted subsequent to this Manual.

22. SPECIAL TOOLS. Unless otherwise stated, all special tools, dies, jigs, patterns, machinery and equipment needed by Seller for the performance of this Order shall be obtained by Seller at its expense and shall be the property of Seller.

23. ASSIGNMENT. Neither party shall assign or transfer this Order or any interest therein or monies payable thereunder without the prior, written consent of the other party, and any assignment made without such consent shall be null and void, except that Buyer may assign this Order and its interest therein toany affiliated corporation or to any corporation succeeding to Buyer's business without the consent of Seller.

24. TAXES. Unless otherwise stated, the prices do not include sales, use, excise, and similar taxes applicable to the Goods or the materials used in the manufacture of Goods. All such taxes and charges shall be shown separately on Seller's invoices.

25. REMEDIES. No remedy herein provided shall be deemed exclusive of any other remedy allowed by law.

26. CONFIDENTIALITY. This Order and any material transmitted herewith may contain information confidential or proprietary to Buyer, its subsidiaries or affiliates and such information is not to be used by Seller other than the purpose for which it was transmitted to Seller. Seller shall hold such information in strictest confidence and not disclose such information to third parties without the prior, written consent of Buyer. Seller will execute a confidentiality and non-disclosure agreement as required by Buyer.

27. BUYER'S PROPERTY. Buyer shall have sole ownership of all right, title and interest in any items or materials (including those supplied or financed by Buyer), copyrighted works, work product, works of authorship, inventions conceived by Seller or any of its employees or contractors or any other intellectual property resulting from or arising in connection with the performance of the Seller or any of its employees or contractors under this Order, being considered that the Seller and any of its employees or contractors were hired for such purpose. Seller hereby irrevocably waives any rights it has in any such copyrighted works and assigns all copyrights and patent rights in inventions to Buyer. For such purpose, Seller shall execute an Agreement with its employees and/or contractors acknowledging the above and establishing the obligation to carry out such assignment in favor of the Purchaser.

28. SAFETY. Seller and all individuals that Seller assigns, or sub-contracts with, to perform work or services at Buyer's facilities shall comply with Buyer's "Factory Safety Regulations" and its "Contractor Safety Policy" and all occupational health and safety and environmental legislation and regulationsand all applicable industry standards.

29. CODE OF CONDUCT. Seller shall comply with the John Deere Supplier Code of Conduct, which is found at:

http://www.deere.com/wps/dcom/en_US/corporate/our_company/
investor_relations/corporate_governance/code_of_conduct/ supplier_code_of_conduct.page

30. SUPPLY CHAIN SHIPMENT SECURITY. [FOR SELLERS SHIPPING TO THE U.S.] Seller shall implement security measures to ensure the safe and secure transportation of Goods throughout the supply chain and adhere to all applicable security requirements of the country in which it operates. Buyer has been accepted into the Customs Trade Partnership Against Terrorism Act (C-TPAT) to protect the safety of borders of the United States. If Seller ships Goods into the United States, Seller shall adhere to security requirements outlined by US Customs at the following website:

http://www.cbp.gov/border-security/ports-entry/cargo-security/
c-tpat-customs-trade-partnership-against-terrorism

31. RIGHT TO AUDIT CLAUSE. Buyer shall have the right to perform audits from time to time of Seller's costs and other items related to the terms of this Order. Seller shall, upon reasonable request and during reasonable business hours, make available for examination and reproduction by Buyer and its duly authorized agents, such books, records, and invoices of Seller as may be necessary to perform an audit pursuant to this Section. Such audits may be performed while this Order is in effect or within one year after its termination.

32. INDEPENDENT CONTRACTOR. Seller is an independent contractor. All individuals that Seller assigns, or sub-contracts with, to perform work or services are deemed to be Seller's "employees". Nothing in this Order, and no conduct, communication, trade practice or course of dealing between the parties or their subsidiaries or affiliates, shall be interpreted or deemed to create any partnership, joint venture, agency, or fiduciary relationship.

33. ELECTRONIC DATA INTERCHANGE (EDI). When pricing is sent on delivery schedule data, the price is for information only and may not be the contract price for all delivery due dates.

34. If any provision of this Order is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Order will remain in full force and effect. Any provision of this Order held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.