

PURCHASE ORDER TERMS AND CONDITIONS

1.General: A purchase order ("PO") from **CarParts.com, Inc.** or one of its affiliates or subsidiaries ("**PRTS**") constitutes that PRTS entity's offer to purchase the products, described or referenced thereon (collectively, "**Products**") from the supplier of such Products ("**Seller**") in accordance with the following terms and conditions and any additional or different terms and conditions printed on the face of the PO (collectively, "**PRTS Terms**"). Seller shall be deemed to have accepted this offer, and in the absence of a separate, signed agreement between PRTS and Seller, the PRTS Terms become the exclusive and binding agreement between the parties for the purchase of Products ("**Agreement**"), upon the earlier of (i) acceptance or acknowledgment of the PO whether orally, in writing or otherwise, or (ii) delivery of the Products. All other terms and conditions on any quote, invoice or other commercial document even if acknowledged by PRTS, are expressly rejected and superseded by the PRTS Terms, and failure by PRTS to object to any other provision, and/or PRTS's acceptance of the Products, shall not be deemed acceptance of Seller's terms. PRTS Terms may only be amended by written agreement signed by an authorized representative of PRTS. If a separate, signed purchase agreement exists between PRTS and Seller with respect to the Products, the terms of such agreement shall prevail over any inconsistent terms herein.

2.Prices: All prices shown on the face of the PO are FOB Origin, unless otherwise specified on the face of the PO, and are the maximum prices to be charged for the Products. Unless otherwise agreed, Due dates for payment of invoices shall be net forty-five (45) days from the date of delivery (unless otherwise indicated on the PO or separately agreed in writing or email). Title to the Products shall pass to PRTS upon receipt at the identified point of shipment or destination and, notwithstanding any term to the contrary herein, risk of loss in and damage to the Products shall pass to PRTS upon PRTS's receipt of the Products. Seller represents and warrants that the prices charged for Products are no greater than the lowest prices charged by Seller to any other customer of Seller for substantially the same quantity of the same products. Seller agrees to allow PRTS to reasonably verify compliance with this provision by means of an independent external auditor. PRTS may offset from any payments due to Seller the amount any refunds, liabilities, or other amounts payable by Seller to PRTS under this Agreement or any other agreement between Seller and PRTS.

3.Shipping: Seller shall provide adequate protective packing to prevent loss or damage, and in accordance with best commercial practices in the absence of any specifications provided by PRTS all at no additional charge, and Seller shall bear full responsibility for damage due to improper packing or shipping of the Products.

4.Late Delivery: In this Agreement, time is of the essence. Failure to deliver Products within the time stated on the PO shall constitute a material breach. Seller shall notify PRTS as soon as it becomes aware that it cannot meet the delivery date specified on the face of the PO and shall propose a new delivery date, which PRTS shall have the option to accept or reject. Seller shall, at no additional cost to PRTS, employ accelerated measures such as material expediting fees, premium transportation costs or labor overtime to ensure the Products are delivered on or before the delivery date.

5.Inspection: PRTS shall have a reasonable time after receipt of the Products at PRTS's warehouses to inspect and accept the Products. Where PRTS discovers defective or non-conforming Products, PRTS may at its option and without prejudice to any other rights or remedies it may have hereunder or at law: (i) at Seller's expense and at PRTS's option, return such Products for refund, credit, repair or replacement; (ii) obtain a price reduction, as determined by PRTS in good faith; and/or (iii) at PRTS's option, PRTS may perform a partial or complete inspection, analysis and/or sorting of all delivered Products for the purposes of segregating any defective or non-conforming Products, and Seller shall pay, and fully indemnify PRTS for, PRTS's expenses related to such inspection, analysis and/or sorting,

including without limitation, any labor costs arising from such inspection, analysis, and/or sorting.

6.Product Categories. If PRTS intends that any Products purchased under this Agreement is to be treated as custom or specialty product ("Custom Product"), then the Products shall be specifically identified as such on the applicable PO and shall be prepared by Seller or its manufacturers with any specific customizations or modifications provided by PRTS in the product specification or ordering instructions. For Custom Product, PRTS shall be the sole purchaser. Absent the express written consent of PRTS, Seller agrees not to (a) sell the Custom Product to any third party, including PRTS's customers, (b) use PRTS's name logo or trademark in any way other than as specifically authorized in this Agreement, (c) make any direct contact with any of PRTS's customers.

Where Seller supplies Products manufactured by a third party entity ("Third Party Product"), all sources of Third Party Product shall be approved by PRTS in advance. All Third Party Product shall be warranted by Seller in the same manner as Product manufactured by Seller. Seller hereby transfers to PRTS all warranties, indemnities and remedies with respect to Third Party Product that Seller receives from the manufacturers thereof (collectively for any third-party manufacturer, the "Manufacturer's Terms"). Seller authorizes PRTS to assert against such third party manufacturers to the maximum extent permitted by law, and for PRTS's account, all rights and remedies of Seller under any Manufacturer's Terms. Seller also agrees to use reasonable commercial efforts to assist and support PRTS in asserting any Third Party Product related claims.

7.Restrictions on Use Customer Information. Seller shall not use any customer information provided by PRTS except for the sole purpose of arranging for product delivery and providing warranty service for the Products, as applicable. Seller shall not use such information to engage in business dealing that are competitive with PRTS, or in any manner that violates the privacy rights of any individual consumer. Without limiting the generality of the foregoing, Seller shall not sell any customer information supplied by PRTS, and shall not incorporate or permit any third party to incorporate such information into any marketing database or mailing list.

8. Intellectual Property License: Seller hereby grants to PRTS a perpetual, irrevocable, royalty-free, sublicensable license to use, reproduce, modify, distribute, display, and incorporate into its product databases and catalogues any product logos, images, technical information and other content associated with the Products for purposes of marketing, advertising and reselling the Products and providing customer support, subject to any restrictions and guidelines communicated by Seller.

9.Warranty: Seller warrants to PRTS and its customers that: (i) the Products will be new (not refurbished or re-worked) and free from defects in title, design, material and workmanship and be merchantable and fit for their intended purpose; (ii) where applicable, the Products will conform to and perform in accordance any specifications, drawings and samples furnished or accepted by PRTS; (iii) the Products comply with all applicable laws, regulations, labeling requirements and industry standards; (iv) any Products provided to PRTS shall not infringe or constitute an infringement or misappropriation of any copyright, patent, trademark, service mark, trade name, trade secret or similar proprietary right conferred by contract, statute, common law or otherwise; (v) Seller and its third party manufacturers and subcontractors will adhere to any quality control standards and procedure required by PRTS; and (vi) Seller has not and will not act unethically, and Seller has not offered or given, and will not offer or give, any employee, agent or representative of PRTS or any government, any gift or gratuity with the intent of securing business from PRTS or obtaining favorable treatment. If Products are covered by third party warranties, Seller hereby assigns such warranties to PRTS and its customers and upon request shall provide details of such warranties to PRTS and its customers. Products failing to comply with applicable warranties ("Non-compliant Product") will be, at PRTS's option,

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(I) returned for a full refund or credit of amounts paid by PRTS for the Non-compliant Product, (II) repaired, (III) replaced or (IV) re-performed by Seller, in each case at no cost or expense to PRTS or its customers and with shipping and transportation costs and risk of loss and damage in transit borne by Seller. Repaired and replaced Products shall be warranted as set forth in this clause. The above warranties, together with Seller's service warranties and guarantees, if any, survive inspection, test, acceptance of and payment for the Products and inure to PRTS, its subsidiaries, affiliates, customers and their respective successors and assigns.

10. Excessive Failure: An Excessive Failure shall be deemed to have occurred where more than three percent (3%) of any Product sold to PRTS are found to be defective in materials, manufacture, design or otherwise fails, or in the reasonable opinion of PRTS are expected to fail, in substantially the same manner anytime within the two (2) year period after the Products are shipped to the delivery location specified by PRTS. In the event of an Excessive Failure, Seller shall, at its cost, provide support services as required by PRTS and, if deemed necessary by PRTS, at Seller's cost, implement an engineering change to correct the problem giving rise to the Excessive Failure. Additionally, PRTS shall have the right to reject further deliveries of such Product without liability. All Product return costs related to an Excessive Failure, the cost of implementing any product recalls, and any other costs incurred by PRTS in order to comply with directives and regulations, including but not limited to those promulgated by the United States National Highway Transportation Safety Agency and associated regulatory fines shall be reimbursed by Seller. In addition, and without limitation, in relation to all affected Products, (whether already sold to PRTS customers or stocked at PRTS or authorized subcontractor facilities and, whether or not such Products have in fact failed), Seller shall, as directed by PRTS, at PRTS' option, and sole discretion, pay PRTS a full refund or credit, perform repair services, and/or provide replacement Products, all at Seller's cost, together with Seller compensating PRTS for any and all costs, expenses, damages and/or liabilities related to the Excessive Failure, including, without limitation, PRTS end-customer costs associated with Product removal and (re)installation and ancillary labor charges.

11. Compliance: Seller, its third party manufacturers, subcontractors and the Products, shall comply with all applicable legal regulations, ordinances, decrees, orders, laws, and other rules and regulations, including without limitation all rules, regulations and provisions relevant to health, safety, human rights, labor and ethics. Seller shall provide PRTS with a written declaration of compliance with the foregoing requirements upon PRTS's request. Without limiting the generality of the foregoing, Seller warrants and represents that Seller, its third party manufacturers and subcontractors (i) do not use child, forced or involuntary labor, (ii) comply with all applicable environmental laws and regulations in the countries in which they operate; (iii) comply with all applicable safety and health laws and regulations in the countries in which they operate, and provide a safe working environment that supports accident prevention and minimizes exposure to health risks; and (iv) comply with all motor vehicle equipment manufacturer registration requirements imposed by the National Highway Traffic Safety Administration. Seller further represents and warrants that (a) none of the Products contain conflict minerals as defined by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act; (b) in accordance with Proposition 65, Products containing one or more of the chemicals identified by the State of California must be sold with a compliant on-Product warning (i.e., on the product's packaging for a packaged product, or otherwise affixed to the Product for products that are not contained within packaging); (c) the Products comply with all applicable hazardous substance and consumer product safety laws, directives, and regulations, including those that ban or restrict the type and concentration of potentially hazardous substances in Products and packaging; and (d) the Products comply with all applicable Federal Motor Vehicle Safety Standards. PRTS shall have the right to monitor Seller's and its third-party manufacturers' production facilities through audits by third parties and visits by PRTS personnel.

12. Indemnity: Seller agrees to indemnify and hold harmless PRTS, its subsidiaries, affiliates and customers and their respective directors, officers, employees, agents, subcontractors and other representatives (for purposes of this Section 12, collectively "PRTS") from any and all loss, damage, liability, cost (including reasonable solicitors' or attorneys' fees), penalty or any other expense of whatever nature (collectively "Claims") to the extent arising out of: (i) any act or omission of Seller (including but not limited to negligence) directly or indirectly relating to the PO, or the use or sale of the Products, whether alone or in combination with other parts in a vehicle; (ii) Seller's breach of this Agreement; (iii) any intellectual property infringement resulting from the importation of the Products or their sale or use in the authorized sales territories. The foregoing indemnity covers without limitation any Claims relating to allegations, actions or proceedings for breach of contract, in tort (including negligence and strict liability), intellectual property infringement, any statutory, regulatory or other legal claims, product recalls, and/or claims for bodily injury (including death) and/or damage to property or any fines, penalties, costs, damages, settlement amounts, and other amounts payable or incurred in relation to Product related defects or to an Excessive Failure. Without limiting the generality of the foregoing, the obligations set forth in this Section 12, Indemnity, expressly include PRTS' right to recover from Seller the costs of conducting a recall or customer satisfaction campaign, whether or not compelled by a regulatory body, including without limitation, the costs associated with the recall remedy, such as product repair, replacement or reimbursement; notification to product purchasers; and attorneys' fees incurred in conducting and implementing the recall or customer satisfaction campaign.

13. Confidential Information: Seller acknowledges that certain information provided by PRTS in connection with the PO is confidential in nature. Confidential Information means any business, marketing, technical, scientific, financial or other information, specifications, designs, plans, drawings, software, prototypes or process techniques of PRTS, an affiliate or other third party, which at the time of disclosure, is reasonably understood to be confidential in nature, including the identity of the parties and the fact that the parties are in contact with each other (collectively, "Confidential Information"). Seller shall hold Confidential Information in confidence and shall not disclose Confidential Information to third parties.

14. Liability: TO THE GREATEST EXTENT PERMITTED UNDER APPLICABLE LAW, IN NO EVENT SHALL PRTS OR ITS AFFILIATES, THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SUBCONTRACTORS OR OTHER REPRESENTATIVES BE LIABLE TO SELLER FOR SPECIAL, CONSEQUENTIAL, INCIDENTAL, EXEMPLARY OR INDIRECT COSTS, EXPENSES OR DAMAGES INCLUDING WITHOUT LIMITATION LITIGATION COSTS, THE LOSS OF PRODUCTION OR PROFIT ARISING FROM ANY CAUSE WHATSOEVER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH COSTS OR DAMAGES OR EVEN IF SUCH COSTS OR DAMAGES ARE ALLEGED TO ARISE FROM NEGLIGENT ACTS, OMISSIONS OR CONDUCT OF PRTS OR ITS AFFILIATES, THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SUBCONTRACTORS OR OTHER REPRESENTATIVES. TO THE GREATEST EXTENT PERMITTED UNDER APPLICABLE LAW, IN NO EVENT SHALL PRTS'S LIABILITY TO SELLER UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID OR DUE TO SELLER FOR PRODUCTS DELIVERED IN ACCORDANCE WITH THIS AGREEMENT.

15. Insurance: Seller shall, at its own expense, at all times while supplying Products, provide and maintain in effect those insurance policies and minimum limits of coverage designated below (all dollar figures in United States currency) with insurance companies authorized to do business in the state or country in which work is being performed, with an A.M. Best's Insurance Rating at a minimum of A- with a financial size category of Class VII or better, or as otherwise acceptable to PRTS:

- Worker's Compensation Insurance (or local equivalent) as required by the applicable law of the state in which the work is being performed, including

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Employer's liability with a minimum limit of One Million Dollars (USD \$1,000,000) for bodily injury by accident, and One Million Dollars (USD \$1,000,000) for bodily injury by disease.

- Commercial General Liability Insurance maintained on an occurrence basis covering bodily injury and property damage liability, personal and advertising injury liability, products completed operations and contractual liability for bodily injury, property damage, personal injury and advertising injury, with minimum coverage of One Million Dollars (USD \$1,000,000) per occurrence and Two Million Dollars (USD \$2,000,000) in the aggregate.
- Business Automobile Liability Insurance covering bodily injury and property damage liability, including coverage for all owned, non-owned, and hired vehicles with a minimum combined single limit of One Million Dollars (USD \$1,000,000) per occurrence.
- Professional Liability Insurance for errors and omissions with a minimum limit of Five Million Dollars (USD \$5,000,000) per occurrence or per claim and Five Million Dollars (USD \$5,000,000) in the aggregate.
- Umbrella and/or Excess Liability insurance on an occurrence basis with limits not less than Five Million Dollars (USD \$5,000,000) per occurrence and Five Million Dollars (USD \$5,000,000) in the aggregate in excess of the limits provided by the Seller Employer's Liability, Commercial General Liability, and Business Automobile Liability.

Seller shall ensure that PRTS, and any affiliated entities affiliated business entities, its officers, directors, agents, employees and shareholders, are named as additional insureds to Seller's Commercial General Liability Insurance. Certificates of Insurance including endorsements evidencing the insurance maintained by Seller shall be furnished to PRTS upon request, and within a reasonable time after such coverage is renewed or replaced. Seller shall provide PRTS with thirty (30) days prior written notice in the event of cancellation, non-renewal or reduction in coverage that causes Seller to no longer be in compliance with any of the requirements set forth in this Section 15.

16.General: Seller shall not publicize the fact the parties are doing business, without the prior written consent of PRTS. The construction, interpretation and performance of this Agreement are governed by the laws of the State of California, United States, as if this Agreement was executed and performed entirely within that State, without regard to its conflicts of laws principles. The parties expressly exclude application of the United Nations Convention on Contracts for the International Sale of Goods. Seller agrees that the federal and state courts located in Los Angeles County, California shall have the exclusive jurisdiction and venue over any claims or disputes between the parties and Seller hereby submits to the jurisdiction of such courts. Seller may not assign or transfer any right or obligations hereunder without the prior written consent of PRTS. PRTS may assign its rights and obligations under this Agreement without requiring any notice to or consent from Seller. This Agreement shall inure to the benefit of the permitted successors and assigns. Seller may not subcontract any of its rights or obligations under the Agreement without PRTS's prior written consent. If PRTS consents to the use of a subcontractor or third party manufacturer, Seller will: (i) guarantee and will remain liable for the performance of all subcontracted obligations; (ii) fully indemnify PRTS for all damages and costs of any kind incurred by PRTS or any third party and caused by the acts and omissions of Seller's subcontractors or third party manufacturers; and (iii) make all payments to its subcontractors and third party manufacturers without delay. To be valid, any waiver by PRTS must be made in writing and expressly reference the PO. A valid waiver of any right or remedy herein shall in no event be deemed to: (i) constitute a waiver of such right or remedy arising in the future or (ii) operate as a waiver of any other right or remedy. If and to the extent that any of the terms of this Agreement become or are declared to be illegal by any court of competent jurisdiction, it is the intention of the parties that such terms shall be reformed by such court to render them enforceable to the maximum extent permitted by law, or if such clause cannot legally be reformed, such terms shall be null and void and shall be deemed deleted from this Agreement, but only to the extent that such term is illegal. All remaining terms of this Agreement shall remain in full force and effect. The parties to this Agreement are independent contractors.