

**Federal-Mogul
Services Rider
North America**

- 1. Applicability.** This Services Rider applies to each Order issued by the applicable Federal-Mogul subsidiary (“Buyer”) for the purchase of services (“Services”) and is incorporated by reference in the *Federal-Mogul Terms and Conditions of Purchase* (“Terms”). Capitalized terms used in this Services Rider but not defined herein shall have the meanings given to them in the Terms. Although defined separately, Services shall be included within the definition of “Goods” for all purposes under the Terms.
- 2. Representations and Warranties.** Supplier represents and warrants to Buyer, to Buyer’s successors, assigns and Customers, and to users of Buyer’s products, that (a) Supplier shall perform all Services in accordance with the highest standards of professional and ethical competence and integrity in Supplier’s industry and shall ensure that all employees assigned to perform any Services under any Order will conduct themselves in a manner consistent therewith; (b) all Services shall be performed in a diligent, workmanlike, prompt and professional manner by individuals with the necessary knowledge, skills, expertise and training to provide the Services; (c) in performing the Services, Supplier shall comply with all applicable federal, state, local and foreign laws, statutes, regulations and orders and with all guidelines, standards, requirements, policies and procedures of Buyer or Buyer’s Customers; (d) all Services and Deliverables will conform to all specifications, standards, manuals, drawings, samples or descriptions specified in the Order or otherwise furnished to or by Buyer (“Specifications”); (e) Supplier has and will maintain at all times during which an Order is in effect, at Supplier’s sole expense, all necessary permits, consents, approvals, and licenses necessary to allow Supplier to provide Services to Buyer; and (f) if Supplier will interface with Buyer’s information systems in connection with the Services, Supplier shall ensure that no software or hardware used by Supplier to access or otherwise interface with Buyer’s information systems will contain any viruses, worms, malware, spyware or other harmful components. Supplier acknowledges that it is responsible for the accuracy, reliability, completeness, validity and timeliness of all Services and warrants that all Services shall be provided in the manner and within the timeframes set forth in the Order. These Services warranties are in addition to any and all other warranties applicable to Goods under any Order.
- 3. Timing.** Time is of the essence. Supplier shall complete performance of the Services in accordance with the schedule set forth in the Order. Buyer reserves the right to modify such schedule or temporarily suspend performance of the Services upon written notice to Supplier, which modification or suspension will not give rise to any adjustment in the price for such Services. In the event of a delay by Supplier, Buyer itself may perform the unfinished Services or may contract with a third party to complete performance, in either case at the expense of Supplier. Buyer’s right under this provision to seek substitute performance is in addition to, and does not limit, any other rights or remedies available to it under the Terms or applicable law.
- 4. Rejection.** All Services shall be subject to inspection and approval by Buyer. No inspection, approval, delay or failure to inspect, or failure to discover any defect or nonconformance, shall relieve Supplier of any obligations under any Order or impair or waive any right or remedy of Buyer with respect to the Services or Supplier’s performance of the Services. If, in Buyer’s sole discretion, any Services do not conform to the Specifications, Buyer shall have the right to reject the Services and, in addition to any other rights and remedies available to Buyer under the Order or applicable law, either, in Buyer’s sole discretion, (a) Supplier will promptly reimburse Buyer for such Services; (b) Supplier will promptly reperform the services to Buyer’s reasonable satisfaction; or (c) Buyer may perform or have performed by a third party the Services and Supplier will promptly reimburse Buyer for all costs incurred by Buyer in connection therewith.
- 5. Employees.** Supplier shall provide Buyer with reasonable access to persons performing Services under any Order and shall promptly replace any such person that Buyer considers unfit or otherwise unsatisfactory. In

the event that any employees of Supplier are present on Buyer's premises, Supplier shall cause such employees to comply with all applicable policies and procedures of Buyer.

- 6. Inventions.** Supplier will promptly disclose to Buyer any intellectual property, including without limitation discoveries, improvements, inventions, creations, writings, product designs, prototypes, specifications, drawings, and/or works that it conceives, reduces to practice, makes, or creates in connection with the performance of the Services. Such intellectual property will constitute "Deliverables" under the Terms and will be owned by Buyer in accordance therewith.
- 7. Invoices.** Supplier shall submit invoices to Buyer for Services monthly in arrears. All invoices for Services must include the relevant Order number, a description of tasks undertaken, the Supplier personnel performing the work, the hours worked, the Deliverables completed, any pre-approved expenses, and other information reasonably required by Buyer and must be sent to Buyer in the manner designated by Buyer. No invoice may reference any term separate from or different than these Service Rider terms or the terms that appear on the face of the Order. Buyer reserves the right to return all invoices or related documents submitted incorrectly. Buyer will only pay upon proper invoices complying with the requirements herein and all of the terms of the Order, subject to adjustments, set-offs, discrepancies or other rights of Buyer. In no event will Buyer have any obligation to reimburse Buyer for travel or other expenses unless such expenses are pre-approved by Buyer in writing and the invoice for such expenses includes documentation of such expenses satisfactory to Buyer.
- 8. No Subcontracting.** Supplier shall not delegate any of its obligations under an Order or subcontract performance of all or any part of the Services to a third party without Buyer's prior written consent. Notwithstanding Buyer's consent to such delegation or subcontracting, Supplier will remain solely responsible for the performance of the Services and will be liable for any violation of the terms of the Order by such third party.

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