

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GENTEX CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

AT MARCH 31, 2002 AND DECEMBER 31, 2001

ASSETS

	March 31, 2002	December 31, 2001
	-----	-----
CURRENT ASSETS		
Cash and cash equivalents	\$140,071,475	\$139,784,721
Short-term investments	72,368,560	65,859,016
Accounts receivable, net	35,640,571	31,994,939
Inventories	13,574,196	14,405,350
Prepaid expenses and other	7,325,763	7,814,468
	-----	-----
Total current assets	268,980,565	259,858,494
PLANT AND EQUIPMENT - NET	121,392,609	110,862,310
OTHER ASSETS		
Long-term investments	150,374,602	132,771,234
Patents and other assets, net	3,554,635	3,330,760
	-----	-----
Total other assets	153,929,237	136,101,994
	-----	-----
Total assets	\$544,302,411	\$506,822,798
	=====	=====

LIABILITIES AND SHAREHOLDERS' INVESTMENT

CURRENT LIABILITIES		
Accounts payable	\$ 11,453,570	\$ 9,378,937
Accrued liabilities	22,561,380	11,606,467
	-----	-----
Total current liabilities	34,014,950	20,985,404
DEFERRED INCOME TAXES	6,709,096	6,836,865
SHAREHOLDERS' INVESTMENT		
Common stock	4,532,045	4,510,317
Additional paid-in capital	111,553,111	105,327,971
Other shareholders' investment	387,493,209	369,162,241
	-----	-----
Total shareholders' investment	503,578,365	479,000,529
	-----	-----
Total liabilities and shareholders' investment	\$544,302,411	\$506,822,798
	=====	=====

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2001

	2002 -----	2001 -----
NET SALES	\$89,048,468	\$79,396,806
COST OF GOODS SOLD	53,857,806 -----	47,671,157 -----
Gross profit	35,190,662	31,725,649
OPERATING EXPENSES:		
Research and development	5,585,740	4,900,810
Selling, general & administrative	5,040,345 -----	4,924,088 -----
Total operating expenses	10,626,085 -----	9,824,898 -----
Operating income	24,564,577	21,900,751
OTHER INCOME:		
Interest and dividend income	2,760,848	3,654,576
Other, net	754,301 -----	4,633 -----
Total other income	3,515,149 -----	3,659,209 -----
Income before provision for income taxes	28,079,726	25,559,960
PROVISION FOR INCOME TAXES	9,126,500 -----	8,307,000 -----
NET INCOME	\$18,953,226 =====	\$17,252,960 =====
Earnings Per Share:		
Basic	\$ 0.25	\$ 0.23
Diluted	\$ 0.25	\$ 0.23
Weighted Average Shares:		
Basic	75,313,856	74,375,407
Diluted	76,347,821	75,555,508

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2001

	2002	2001
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 18,953,226	\$ 17,252,960
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	4,576,614	3,764,949
(Gain) loss on disposal of equipment	(27,250)	171,665
Deferred income taxes	73,459	(135,991)
Amortization of deferred compensation	268,967	218,686
Change in operating assets and liabilities:		
Accounts receivable, net	(3,645,632)	(2,066,710)
Inventories	831,154	258,823
Prepaid expenses and other	589,117	(1,537,453)
Accounts payable	2,074,633	3,444,896
Accrued liabilities	10,954,913	9,867,150
	-----	-----
Net cash provided by operating activities	34,649,201	31,238,975
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Increase) decrease in short-term investments	(6,509,544)	(8,849,792)
Plant and equipment additions	(15,253,685)	(17,248,034)
Proceeds from sale of plant and equipment	189,926	1,214,285
(Increase) decrease in long-term investments	(18,465,197)	6,594,225
(Increase) decrease in other assets	(296,465)	(134,793)
	-----	-----
Net cash used for investing activities	(40,334,965)	(18,424,109)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock and tax benefit of stock plan transactions	5,972,518	3,496,768
	-----	-----
Net cash provided by financing activities	5,972,518	3,496,768
	-----	-----
NET INCREASE IN CASH AND CASH EQUIVALENTS	286,754	16,311,634
CASH AND CASH EQUIVALENTS, beginning of period	139,784,721	110,195,583
	-----	-----
CASH AND CASH EQUIVALENTS, end of period	\$ 140,071,475	\$ 126,507,217
	=====	=====

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

- (1) The condensed consolidated financial statements included herein have been prepared by the Registrant, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations, although the Registrant believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these condensed consolidated financial statements be read in conjunction with the financial statements and notes thereto included in the Registrant's 2001 annual report on Form 10-K.
- (2) In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of only a normal and recurring nature, necessary to present fairly the financial position of the Registrant as of March 31, 2002, and December 31, 2001, and the results of operations and cash flows for the interim periods presented.
- (3) Inventories consisted of the following at the respective balance sheet dates:

	March 31, 2002	December 31, 2001
	-----	-----
Raw materials	\$ 7,359,879	\$ 8,376,321
Work-in-process	1,584,723	1,649,389
Finished goods	4,629,594	4,379,640
	-----	-----
	\$13,574,196	\$14,405,350
	=====	=====

- (4) Comprehensive income reflects the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. For the Company, comprehensive income represents net income adjusted for items such as unrealized gains and losses on certain investments and foreign currency translation adjustments. Comprehensive income was as follows:

	March 31, 2002	March 31, 2001
	-----	-----
Quarter Ended	\$18,336,351	\$14,763,386

- (5) The increase in common stock and additional paid-in capital during the quarter ended March 31, 2002, is attributable to the issuance of 362,126 shares of the Company's common stock under its stock-based compensation plans.
- (6) The Company currently manufactures electro-optic products, including automatic-dimming rearview mirrors for the automotive industry and fire protection products for the commercial building industry:

	Quarter Ended March 31,	
	-----	-----
Revenue:	2002	2001
	----	----
Automotive Products	\$83,893,419	\$74,119,197
Fire Protection Products	5,155,049	5,277,609
	-----	-----
Total	\$89,048,468	\$79,396,806
	=====	=====

Operating Income:

Automotive Products	\$23,550,891	\$21,006,969
Fire Protection Products	1,013,686	893,782
	-----	-----
Total	\$24,564,577	\$21,900,751
	=====	=====

GENTEX CORPORATION AND SUBSIDIARIES

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS:

FIRST QUARTER 2002 VERSUS FIRST QUARTER 2001

Net Sales. Net sales for the first quarter of 2002 increased by approximately \$9,652,000, or 12%, when compared with the first quarter last year. Net sales of the Company's automotive mirrors increased by \$9,774,000, or 13%, as automatic mirror unit shipments increased by 11% from approximately 1,850,000 in the first quarter of 2001 to 2,056,000 in the current quarter. This increase primarily reflected the increased penetration of interior electrochromic Night Vision Safety(TM) (NVS(R)) Mirrors on 2002 model year mid-sized vehicle models. Unit shipments to customers in North America increased by 15.5%, primarily due to increased penetration, as North American light vehicle production schedules increased by approximately 3%. Mirror unit shipments to automotive customers outside North America increased by 6% compared with the first quarter in 2001, primarily due to increased interior mirror shipments to European and Asian-Pacific automakers. Net sales of the Company's fire protection products decreased 2%, primarily due to lower hotel / motel construction after the September 11, 2001, terrorist attack.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold remained unchanged at 60% in the first quarter of 2002 compared to the first quarter of 2001. This unchanged percentage primarily reflected annual customer price reductions offset by the higher sales level leveraged over the fixed overhead costs.

Operating Expenses. Research and development expenses increased approximately \$685,000, but remained unchanged at 6% of net sales, when compared with the same quarter last year, primarily reflecting additional staffing, engineering and testing for new product development, including mirrors with additional electronic features. Selling, general and administrative expenses increased approximately \$116,000, but remained unchanged at 6% of net sales, when compared with the first quarter of 2001.

Other Income - Net. Other income decreased by approximately \$144,000 when compared with the first quarter of 2001, primarily due to declining interest rates on investments, partially offset by realized gains from sales of equity investments.

FINANCIAL CONDITION:

Management considers the Company's working capital and long-term investments totaling approximately \$385,340,000 at March 31, 2002, together with internally generated cash flow and an unsecured \$5,000,000 line of credit from a bank, to be sufficient to cover anticipated cash needs for the next year and for the foreseeable future.

TRENDS AND DEVELOPMENTS:

The Company is subject to market risk exposures of varying correlations and volatilities, including foreign exchange rate risk, interest rate risk and equity price risk. There were no significant changes in the market risks reported in the Company's 2001 10-K report during the quarter ended March 31, 2002.

The Company has some assets, liabilities and operations outside the United States, which currently are not significant. Because the Company sells its automotive mirrors throughout the world, it could be significantly affected by weak economic conditions in worldwide markets that could reduce demand for its products.

In addition to price reductions over the life of its long-term agreements, the Company continues to experience pricing pressures from its automotive customers, which have affected, and which will continue to affect, its margins to the extent that the Company is unable to offset the price reductions with productivity improvements, engineering and purchasing cost reductions, and increases in unit sales volume. In addition, the Company continues to experience from

time to time some pressure for select raw material cost increases.

TRENDS AND DEVELOPMENTS, CONTINUED:

The Company currently supplies NVS(R) Mirrors to DaimlerChrysler AG and General Motors Corporation under long-term agreements. The long-term supply agreement with DaimlerChrysler AG runs through the 2003 Model Year, while the GM contract is through the 2004 Model Year for inside mirrors.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information called for by this item is provided under the caption "Trends and Developments" under Item 2 - Management's Discussion and Analysis of Results of Operations and Financial Condition.

Statements in this Quarterly Report on Form 10-Q which express "belief", "anticipation" or "expectation" as well as other statements which are not historical fact, are forward-looking statements and involve risks and uncertainties described under the headings "Management's Discussion and Analysis of Results of Operations and Financial Condition" and "Trends and Developments" that could cause actual results to differ materially from those projected. All forward-looking statements in this Report are based on information available to the Company on the date hereof, and the Company assumes no obligation to update any such forward-looking statements.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

- (a) See Exhibit Index on Page 10.
- (b) No reports on Form 8-K were filed during the three months ended March 31, 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GENTEX CORPORATION

Date: 4/30/02

/s/ Fred T. Bauer

Fred T. Bauer
Chairman and Chief
Executive Officer

Date: 4/30/02

/s/ Enoch C. Jen

Enoch C. Jen
Vice President - Finance,
Principal Financial and
Accounting Officer

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----
3(a)(1)	Registrant's Articles of Incorporation were filed in 1981 as Exhibit 2(a) to a Registration Statement on Form S-18 (Registration No. 2-74226C), an Amendment to those Articles was filed as Exhibit 3 to Registrant's Report on Form 10-Q in August of 1985, an additional Amendment to those Articles was filed as Exhibit 3(a)(1) to Registrant's Report on Form 10-Q in August of 1987, an additional Amendment to those Articles was filed as Exhibit 3(a)(2) to Registrant's Report on Form 10-K dated March 10, 1992, an Amendment to Articles of Incorporation, adopted on May 9, 1996, was filed as Exhibit 3(a)(2) to Registrant's Report on Form 10-Q dated July 31, 1996, and an Amendment to Articles of Incorporation, adopted on May 21, 1998, was filed as Exhibit 3(a)(2) to Registrant's Report on Form 10-Q dated July 30, 1998, all of which are hereby incorporated herein be reference.
3(b)(1)	Registrant's Bylaws as amended and restated August 18, 2000. were filed on Exhibit 3(b)(1) to Registrant's Report on Form 10-Q dated October 27, 2000, and the same is hereby incorporated herein by reference.
4(a)	A specimen form of certificate for the Registrant's common stock, par value \$.06 per share, was filed as part of a Registration Statement on Form S-18 (Registration No. 2-74226C) as Exhibit 3(a), as amended by Amendment No. 3 to such Registration Statement, and the same is hereby incorporated herein by reference.
4(b)	Amended and Restated Shareholder Protection Rights Agreement, dated as of March 29, 2001, including as Exhibit A the form of Certificate of Adoption of Resolution Establishing Series of Shares of Junior Participating Preferred Stock of the Company, and as Exhibit B the form of Rights Certificate and of Election to Exercise, was filed as Exhibit 4(b) to Registrant's Report on Form 10-Q dated April 27, 2001, and the same is hereby incorporated herein by reference.
10(a)(1)	A Lease dated August 15, 1981, was filed as part of a Registration Statement (Registration Number 2-74226C) as Exhibit 9(a)(1), and the same is hereby incorporated herein by reference.
10(a)(2)	A First Amendment to Lease dated June 28, 1985, was filed as Exhibit 10(m) to Registrant's Report on Form 10-K dated March 18, 1986, and the same is hereby incorporated herein by reference.
*10(b)(1)	Gentex Corporation Qualified Stock Option Plan (as amended and restated, effective August 25, 1997) was filed as Exhibit 10(b)(1) to Registrant's Report on Form 10-Q, and the same is hereby incorporated herein by reference.
*10(b)(2)	Gentex Corporation Second Restricted Stock Plan was filed as Exhibit 10(b)(2) to Registrant's Report on Form 10-Q dated April 27, 2001, and the same is hereby incorporated herein by reference.

EXHIBIT NO. -----	DESCRIPTION -----
*10(b)(3)	Gentex Corporation Non-Employee Director Stock Option Plan (as amended and restated, effective March 7, 1997), was filed as Exhibit 10(b)(4) to Registrant's Report on Form 10-K dated March 7, 1997, and the same is incorporated herein by reference.
*10(b)(4)	Gentex Corporation 2002 Nonemployee Director Stock Option Plan (adopted March 6, 2002).
10(e)	The form of Indemnity Agreement between Registrant and each of the Registrant's directors was filed as a part of a Registration Statement on Form S-2 (Registration No. 33-30353) as Exhibit 10(k) and the same is hereby incorporated herein by reference.

*Indicates a compensatory plan or arrangement.

GENTEX CORPORATION
2002 NONEMPLOYEE DIRECTOR STOCK OPTION PLAN
(ADOPTED MARCH 6, 2002)

PART I: PLAN ADMINISTRATION AND ELIGIBILITY

1.1 Purpose. The purpose of this 2002 Nonemployee Director Stock Option Plan (the "Plan") of Gentex Corporation (the "Company") is to make service on the Board of Directors of the Company (the "Board") more attractive to present and prospective outside directors of the Company, as the continued services of qualified outside directors are considered essential to the Company's sustained progress, and to provide additional incentive for such directors to direct the Company effectively by offering them a greater interest in the continued success of the Company through stock ownership. The Plan is also intended to encourage stock ownership by outside directors of the Company.

1.2 Administration. The Plan shall be administered by the Board. Grants of stock options under the Plan ("Options") and the amount and nature of the Options to be granted shall be automatic as described in Sections 1.3 and 2.2. The Board shall have the power to determine all questions arising under the Plan and to adopt and amend such rules and regulations for the administration of the Plan as it may deem desirable.

1.3 Stock Subject to the Plan.

(A) Class. The stock which is to be made the subject of Options granted under the Plan shall be the Company's authorized common stock, par value \$.06 per share ("Common Stock"). Shares shall be supplied to satisfy the requirements of Options granted under the Plan out of authorized but unissued shares.

(B) Aggregate Amount.

(1) The total number of shares issuable under the Plan shall not exceed 500,000 shares (subject to adjustment as provided in Section 3.4).

(2) If any outstanding Option under the Plan expires or is terminated for any reason, then the Common Stock allocable to the unexercised or surrendered portion of such Option shall not be charged against the limitation of Section 1.3(B)(1) above, and may again become the subject of a Option granted under the Plan.

1.4 Eligibility; Grant of Options. Only directors who are not common law or contractual employees of the Company or any of its subsidiaries (a "Nonemployee Director") shall be eligible to receive Options under this Plan. Effective as of the date of each annual meeting of the shareholders of the Company, each Nonemployee Director who is newly elected or continues in office as a director subsequent to that meeting, shall be granted an Option to acquire six thousand (6,000) shares. Any Nonemployee Director who is elected as a director by the Board shall be granted an Option to acquire that number of shares that is equal to six thousand (6,000) shares multiplied by a fraction that is equal to three hundred sixty-five (365), minus the number of days that have elapsed since the last annual meeting of shareholders, and dividing that difference by three hundred sixty-five (365); the result shall be rounded to the

nearest whole share. Any Nonemployee Director who receives Options pursuant to this Plan may be referred to herein as "Optionee."

PART II: OPTIONS AND RIGHTS

2.1 Nonstatutory Stock Options. All Options granted under the Plan shall be nonstatutory options, not entitled to special tax treatment under Section 422 of the Internal Revenue Code of 1986, as amended.

2.2 Terms, Conditions, and Form of Options. Each Option granted under this Plan shall be evidenced by a written agreement in such form and containing such terms as the Board shall from time to time approve, which agreements shall comply with and be subject to the following terms and conditions:

(A) Transferability of Options. Options may not be sold, pledged, assigned, or transferred in any manner otherwise than by will or the laws of descent and distribution to the extent provided in Section 2.2(D), except that the Board may authorize the grant or amendment of Options so as to permit transfer to the Optionee's spouse and/or the Optionee's descendants or to a trust created primarily for the benefit of the Optionee, the Optionee's spouse and/or the Optionee's descendants ("Authorized Transferee"), provided the Optionee satisfies such conditions to the transfer as may be required by the Board. The agreement pursuant to which a transferable Option is granted shall expressly set forth the transfer rights and limitations, prohibit payment of any consideration by the Authorized Transferee to the original Optionee, prohibit any further transfer of the Option and provide that the Authorized Transferee shall succeed to all rights and benefits (except any right to further transfer of the Option) and be subject to all obligations, conditions, and limitations applicable to the original Optionee. However, such rights and benefits (except any right to further transfer of the Option) and obligations, conditions, and limitations shall be determined as if the original Optionee continued to hold the Option, whereby provisions of this Plan dealing with death of an Optionee will continue to refer to the original Optionee regardless of whether the Option has been transferred to an Authorized Transferee. Options may be exercised during the lifetime of the original Optionee only by the original Optionee or an Authorized Transferee. After the Optionee's death, the Option shall be exercisable only to the extent provided in Section 2.2(D).

(B) Period of Option. Options shall terminate upon the expiration of ten (10) years from the date upon which such Options were granted, or at such earlier date as may be established in the option agreement (subject to prior termination as hereinafter provided).

(C) Exercise of Option. Options may be exercised, in full or in part, only by giving written notice to the Company, stating the number of shares of Common Stock with respect to which the Option is being exercised, accompanied by payment in full for such shares, which payment may be in whole or in part in shares of the Common Stock of the Company valued at fair market value as computed under Section 2.3 below; provided, however, that (i) there shall be no such exercise at any one time as to fewer than three thousand (3,000) shares, unless fewer than three thousand shares (3,000) remain to be purchased under the Option being exercised; (ii) Options may not be exercised for a period of six (6) months after the date of grant, (iii) Options may be exercised only during periods beginning on the second (2nd) business day following the date on which the Company releases for publication its annual or quarterly

financial reports and ending on the twelfth (12th) business day following that date, and (iv) all or any portion of Options granted that remain unexercised at the time the Optionee's status as a director of the Company terminates for any reason other than death, shall automatically expire ninety (90) days after the date of such termination and be of no further force or effect.

(D) Death of Optionee and Transfer of Options. In the event of an Optionee's death, Options may be exercised, to the same extent exercisable by the Optionee at the date of death, at any time prior to the earlier of the specified expiration date or the first anniversary of the Optionee's death, by any of the following persons: (i) personal representatives of the estate of the Optionee; (ii) any person or persons who shall have acquired the Option directly from the Optionee by bequest or inheritance; (iii) any person designated to exercise the Option by means of a specific written designation executed by the Optionee and filed with the Company prior to the Optionee's death; or (iv) an Authorized Transferee. No Options, unless granted pursuant to an agreement specifically permitting transfer as described in Section 2.2(A), shall be transferable by an Optionee otherwise than by will or by the laws of descent and distribution of the state of the Optionee's domicile; provided, however, that an Optionee may execute and file a notice of designation as provided for in (iii) above.

2.3 Option Price. The Option exercise price for an Option granted under the Plan shall be the fair market value of the shares of Common Stock covered by the Option at the time the Option is granted. For purposes of this Plan, the fair market value of a share of Common Stock shall be equal to the last reported sale price per share of Common Stock on the date of grant or, if that date is not a trading date, then the trading date immediately preceding the date of the grant, or if there is no reported sale, the mean between the highest closing bid and closing asked price, as quoted on the Nasdaq Stock Market.

PART III. GENERAL PROVISIONS

3.1 Assignability. The rights and benefits under this Plan shall not be assignable or transferable by an Optionee, and during the lifetime of the Optionee Options granted under the Plan shall be exercisable only by him or her, except as otherwise expressly provided in Section 2.2 of this Plan.

3.2 Time for Granting Options. No Options may be granted under this Plan after the day prior to the tenth (10th) annual meeting following the date the Plan was approved by the shareholders of the Company (i.e., May 9, 2012).

3.3 Limitation of Rights.

(A) No Right to Continue as a Director. Neither the Plan, nor the granting of an Option nor any other action taken pursuant to the Plan, shall constitute or be evidence of any agreement or understanding, express or implied, that the Company will retain a director for any period of time, or at any particular rate of compensation.

(B) No Shareholders' Rights for Options. An Optionee shall have no rights as a shareholder with respect to the shares covered by Option(s) until the date of the issuance to him or her of a stock certificate therefor, and no adjustment will be made for dividends or other rights for which the record date is prior to the date such certificate is issued.

3.4 Adjustments to Stock. In the event any change is made to the Common Stock subject to the Plan or subject to any outstanding Option(s) granted under the Plan (whether by reason of merger, consolidation, reorganization, recapitalization, stock dividend, stock split, combination of shares, exchange of shares, change in corporate structure, or otherwise), then appropriate adjustments shall be made to the maximum number of shares subject to the Plan and the number of shares and price per share of stock subject to outstanding Option(s). The Board's determination of any such adjustments shall be final, binding, and conclusive with respect to all Optionees.

3.5 Effective Date of the Plan. This Plan shall take effect on the date of approval by the shareholders of the Company, and shall be applicable to all incumbent directors as of that date. The approval of the Plan by the shareholders of the Company shall terminate the Gentex Corporation Nonemployee Director Stock Option Plan (As Amended And Restated Effective March 7, 1997) effective as of the day before approval of the Plan and no further options will be issuable under that plan.

3.6 Amendment of the Plan. The Board of the Company may suspend or discontinue the Plan or revise or amend it in any respect whatsoever; provided, however, that without approval of the shareholders no revision or amendment shall change the number of shares subject to the Plan (except as provided in Section 3.4), change the designation of the class of directors eligible to receive Options, materially increase the benefits accruing to participants under the Plan or alter or impair any rights or obligations of any Option previously granted with out the consent of the Optionee holding such Option.

3.7 Governing Law. The Plan and all determinations made and actions taken pursuant hereto shall be governed by and interpreted and construed in accordance with the laws and in the courts of the state of Michigan, without regard to its conflicts of laws principles.

3.8 Expenses of the Plan. All costs and expenses of the adoption and administration of the Plan shall be borne by the Company.

CERTIFICATION

The foregoing Plan was adopted by the Board of the Company on March 6, 2002.

/s/ Connie Hamblin

Connie Hamblin, Secretary